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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 1

Section 1

October 1, 1925.

## COCOA EXCHANGE OPENED

The press to-day says: "It is predicted that New York will become the market centre of the cocoa trade of the world to-day with the opening of the New York Cocoa Exchange. The new exchange is the first and only one of its kind and through it will pass most of the world's trading of raw cocoa, amounting to hundreds of millions of dollars a year. The exchange, membership in which is limited to 150, will open with 140 members, seventeen of whom are in foreign countries."

## LIVESTOCK RATE REVISION

Rates on livestock west of the Mississippi River should be revised to conform to provisions of the mileage scale, Interstate Commerce Commission examiners recommended September 30 after a preliminary investigation of complaints of the American National Livestock Association and the National Wool Growers' Association. The proposed revision of rates, the report said, would effect a reasonable adjustment, lowering some rates and raising others. The scale of rates for western Louisiana, Arkansas, Oklahoma, Kansas, Nebraska, eastern Colorado and Wyoming, would be 9 cents per 100 pounds for movement of livestock over a distance of ten miles, while the rates would rise to 44 cents per 100 pounds for 500-mile distances and to 92 cents for 2,000-mile distances. For Rocky Mountain territory, west of the foregoing States but east of the Pacific Coast States, the proposed scale would be 11 cents for ten-mile distances, rising to 53 cents for 500-mile distances and \$1.10 1/2 for 2,000-mile distances. For the three Pacific Coast States the scale would begin at 10 cents for ten miles, rise to 48 1/2 cents for 500 miles and conclude with \$1.01 for 2,000 miles. (Press, Oct. 1)

## NEW BANKERS ASSOCIATION HEAD

Oscar Wells, president of the First National Bank of Birmingham, Alabama, was elected president of the American Bankers Association at its convention at Atlantic City September 30. Melvin A. Traylor, president of the First Trust and Savings Bank and also of the First National Bank, Chicago, was elected first vice president, and Thomas R. Preston, president of the Hamilton Trust and Savings Bank of Chattanooga, Tennessee, second vice president.

## MCFADDEN BANKING BILL

In a telegram to the American Bankers Association read at the morning session at Atlantic City to-day, Representative Louis T. McFadden, chairman of the House committee on banking and currency, says he proposes to reintroduce in the next session the bill, popularly understood and known as the McFadden bill, which passed the House at the last session of Congress. Another bill, which he introduced during the closing days of the last session and which he explains was done merely to arouse discussion, he will not reintroduce until the McFadden bill is out of the way.



## Section 2

Canals and  
Rate Reg-  
ulation

An editorial in The Wall Street Journal for September 30 says: "Department of Commerce statistics on the tonnage of freight passing through the Panama Canal during the year ended June 30 last evoke some reflections upon the prevalent idea of canals as regulators of freight rates. While the huge expenditure on the digging of the canal has been justified on other grounds it has necessarily disappointed the belief, which played no small part in actuating Congress to authorize it, that its existence would insure low transcontinental freight rates. In the past year more than 2,200,000 long tons of cargo moved via the canal from Atlantic to Pacific ports, in intercoastal trade. Those who are wont to compare these figures with the total loaded tonnage of the railroads of the country, or with that of the western transcontinental carriers, and so overrule the assertion of western railroad men that the canal has damaged them, overlook the fact that this is all long-haul traffic, composed for the most part of high rate-commodities. If it had gone by rail it would have meant upward of \$20,000,000 in revenue. Some of the eastbound canal tonnage would have moved by rail in the absence of the water route. There can be no question of the canal's serious effect upon the fortunes of the western carriers. It has been, and is, a less disturbing influence upon the business of eastern roads, not only because of their greater density of local traffic, unaffected by the water routes, but also because much of the westward canal tonnage first moved to the eastern seaboard by rail. As a rate regulator, however, the canal was superseded before it was completed by the absolute authority of the Commerce Commission. Not only was it not needed in that capacity, but it has taken away from the western carriers a part of the traffic volume so essential to a progressive reduction of transportation cost. Comparatively little of the territory of the United States is exempted by water routes from dependence upon adequate and efficient railroads, so that the greater part of the country has losses as well as gains to charge against the canal."

## Fire Losses

An editorial in The Florida Times-Union for September 28 says: "...The New York Herald-Tribune is inclined to think that the rapidly increasing use of cigarettes by the American people has had something to do with the advance of the fire plague. This is probably true; but in only a small way. 'Careless throwing of cigarette butts is an American habit,' according to the newspaper, 'and it should be abated.' Probably few smokers are really careless--but the cigarette is nevertheless found responsible for a number of blazes that have been disastrous and were preventable. Constant urging of smokers to be careful with fire, whether it is the lighted match or a half burned bit of tobacco, will have some effect, and every opportunity should be seized to impress the idea upon those who use the weed. Florida will need to ask and even demand the campers to be careful this fall for the woods are dry. Already some very bad forest fires have occurred in the western counties and those people who are making camp fires, on the highways or a little removed from the road, must be warned again and again to leave no coals to rekindle and make trouble after they have gone on. It is a very serious thing to start a forest fire--it is serious to start any blaze which may do damage, but the possibilities of forest fires are enormous. Just to make the Americans ashamed of themselves the Herald-Tribune says that the greater part of our fire damage is preventable, and gives the following facts to show that we are not doing well when permitting such a state of



affairs to exist. England's per capita loss from fire is 95 cents; annual loss per capita in the United States \$5. France and Belgium show less than England in fire losses. It is time for America to take the matter of fire prevention seriously."

**Freight Rates** Increases which southwestern railroads proposed to make effective September 30 on fresh fruits and vegetables moving between points in Arizona, New Mexico and Texas were suspended September 29 by the Interstate Commerce Commission and the maintenance of present rates were ordered until further notice. (Press, Sept. 30.)

**French Vineyard Pest** A London dispatch to the press of September 30 says: "Champagne lovers were startled when they learned September 29 that the so-called 'invisible black hand disease' of the French vineyards had made the vintage of 1925 a complete failure. Instead of this year's crop adding at least 2,000,000 bottles to the cellars of Rheims, it is doubtful whether the stocks will be increased by 50,000,000."

**Georgia-Florida Fence Line** An Atlanta dispatch to the press to-day states that Georgia will spend \$100,000 in the next two years in construction of a continuous cattle-proof fence between Georgia and Florida, a measure appropriating that amount for the purpose having passed both houses of the Legislature.

**Land Sale Proposal** An editorial in Sioux City Live Stock Record for September 26 says: "There is a great big suggestion in the following editorial from the Omaha Journal-Stockman. There is a lot of talking about getting the farmer back to normal--also about his being back. Also, if stories that have gained more or less circulation of late years are true, there are some thousands of farms all over the country that are owned by banks, having been taken in by them during our late deflation period. These farms are not doing much, if any, good in the way of production--and there is one commodity that has not yet got around to something like a stable market, based on supply and demand. That one item is farm lands. The Journal-Stockman editorial is as follows: 'Now that prices of farm products have nearly reached a parity with prices of other products and farmers are doing something more than going deeper into the hole every year, the next problem is to find out what farm land is worth. So long as land values are uncertain there is bound to be more or less stagnation in agriculture as well as in all lines of business dependent on agriculture. In every community there are farms for sale, good farms held at good prices, that can find no buyers simply because farm lands have really had no established value since the awful deflation following the war. Prices were ridiculously high during the period of inflation and just as ridiculously low since then. Until these farms get new owners to occupy them instead of being rented to irresponsible tenants, the land situation will be unsettled and unsatisfactory and the progress of the community retarded. What leads to this line of thought is the report that the Nebraska State Banking Board now has on hand 500 or 600 farms and ranches that were acquired and held by banks that had failed or were being liquidated. Here are probably over 100,000 acres of land that will never be an asset to anybody until they are sold and farmed as only a bona fide owner will farm them. These constitute a menace to every solvent farm and farmer in the State. The thing to do is to cash them and a well advertised and well managed public sale would do the trick. A land sale of this kind,



advertised throughout the Nation, would attract thousands of land buyers from all over the country and the land would be sold for cash, just whatever it would bring. Some land would sell too low, some might sell too high, but it would all sell, the books would be closed and the atmosphere cleared....The advertisement of 100,000 or more acres of farm land to be sold in one sale would attract buyers from every State in the Union and Canada and even foreign capital; it would attract capital that a smaller offering would never reach. Money would come for investment from many large holdings when it is shown that such an investment is absolutely safe and profitable, as indeed it would be."

**Meat Animals**

An editorial in The Pennsylvania Farmer for September 26 says:

"We believe too much emphasis is being placed upon the alleged meat animal shortage in this country. Farmers and stock raisers should take note of the fact that there has been a decided slump in meat exports during the last few months and that this condition is likely to continue because of the comeback of agriculture in European countries. In Germany alone, which is a large consumer of pork and lard, there has been a very large increase in the production of hogs and the Government is fostering food production in general. In other countries also there is a move towards producing as large a proportion of the food consumed as possible. The European countries are under the necessity of applying the very best economic principles because of the debts hanging over them. They are figuring that since the United States has, to a large extent, closed its markets to foreign goods by tariff walls it behooves them to stop sending here for such food products as they can produce at home. The number of hogs and beef animals in this country, while fewer than the number during the past few years, is sufficient for home use, and it is altogether probable that any large increase made in the hope of continued exports will be disastrous."

**Public Land**

American Forests and Forest Life for October says: "It is to be

**Grazing**

hoped that the Public Lands Committee of the United States Senate, which is now holding hearings in the West, will make a thorough case of its investigation of grazing on the National Forests and the unappropriated public domain. There is need for a penetrating inquiry into grazing conditions on publicly owned lands in the West, provided the investigation has broad public interests as its paramount objective. The manner in which these lands are grazed by cattle and sheep reaches farther than most people suspect. As an issue, the price which Uncle Sam places upon his forage is of minor importance. The real issue from the broad public standpoint is the effect of the grazing upon present and future supplies of forests and waters....To what extent is grazing, as now conducted on the National Forests and the public domain, affecting the present and future supply of water for the West? To what extent is it affecting forest conditions which are the secret to abundant and permanent water supply? This is the big issue that must be read into the present grazing controversy, and it is the situation into which the Senate investigating committee must delve to the bottom before it can make recommendations to Congress that will have public confidence and public support....We believe that the time has come to penetrate the smoke screen which the stockmen are throwing up against the fair valuation and right management of grazing on Uncle Sam's pastures, and to go to the very bottom of grazing conditions. The grazing industry in the West, so far as it is dependent upon public lands for forage, must be put once for all in its proper place in relation to the interests of other industries and other



citizens in these key lands to general prosperity. That the unreserved public domain is badly overgrazed is generally conceded. That portions of many of the National Forests are likewise overgrazed will be readily admitted by many. The recommendations of the Senate Investigating Committee for the proper administration of grazing on these lands must be based upon a grazing management which protects and holds supreme their primary value as reservoirs of forests and waters. Anything short of this will be short of statesmanship and of real public service."

**Russian Wheat Propaganda** An editorial in Modern Miller for September 19 says: "The Chicago Tribune devotes a column to an alleged Soviet wheat propaganda and says that the Grain Futures Administration is making an effort to trace the rumors that Russia is trying to depress American wheat prices and stir up unrest among American farmers.... Just what interest Russia would have in depressing wheat prices does not appear clear. If Russia has grain to sell--and she has nothing else--it is distinctly illogical that the Soviet would be trying to depress wheat prices. It is altogether probable that Italy and France and other buying countries would make the most of any bearish influence, of Russia in the role of wheat exporter. The Soviet has a bad reputation for its Bolshevik political and social propaganda. It is accused of stirring trouble in India, Manchuria, Mongolia, Roumania, Italy and Germany--fomenting the crude principles of government that the Soviet is trying out in Russia. It is apparent that Canada and the United States are suspicious of wheat shipping stories about Russia... A bad reputation is the cause of all kinds of accusations against the Soviet. Just why Russia should have designs against the British constitution or American wheat prices does not appear clear and well defined. ...It will do no harm for the Grain Futures Administration to make an effort to get the facts about Russia's surplus and alleged wheat sales. That will be a service appreciated by the trade."

**Wheat Pooling** An editorial in The Oregon Farmer for September 17 says: "Now and then a pooling organization for the cooperative marketing of certain farm crops shows a degree of success which goes a long way to prove that the principle of pooling is sound. The South Dakota Wheat Growers' Association is in this class apparently. It has recently closed its crop year after handling about \$5,000,000 worth of wheat for farmers of that State, and its report shows that the members of the organization received from 10 to 25 cents per bushel more for their wheat than did farmers of the State who were not members of the association. The auditor figures that the members received over \$250,000 more for their crop than they would have had they not been members of the association and the general market price had been just what it was throughout the year. He goes further and figures that if all the wheat in the State had been handled by the association, the farmers of the State would have received \$5,000,000 more for their crop than they did....."

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### Section 3

**Department of Agriculture** A Chicago dispatch to the press of September 30 says: "On the heels of a warning to the Board of Trade to take immediate steps to adopt proposed reforms, lively buying of all grain set in September 29, and a decided advance ensued after a week of declining prices. Aside from Secretary Jardine's warning, the fact that wheat values had fallen as much as 18 1/2¢ a bushel led many traders to act on opinions that selling had been overdone, and that a substantial rally was to be expected.... Belief that the action of Secretary Jardine might possibly have been



to a considerable degree responsible for yesterday's advancing prices was expressed by some authorities, but other observers were inclined to ignore the Secretary's statement as an immediate market factor."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Sept. 30: Chicago hog prices closed at \$13.70 for the top; bulk \$12 to \$13.50; beef steers choice \$15 to \$16.50; good \$10.75 to \$15.25; medium \$8.35 to \$11; common \$6.25 to \$8.50; heifers, good and choice \$7.60 to \$12.50; medium and common \$4 to \$8; cows, good and choice \$5.75 to \$9.50; canners and cutters \$3 to \$3.75; vealers, medium to choice \$9.75 to \$13.75; heavy calves, medium to choice, \$5. to \$8; stocker and feeder steers, common to choice \$5.25 to \$9; fat lambs (light and handyweight), medium to choice \$14 to \$15.75; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes common to choice \$4.50 to \$8; feeding lambs, medium to choice \$13.75 to \$15.75.

Maine sacked Irish Cobblers sold at \$2.00 to \$2.50 per 100 pounds in eastern cities; bulk stock \$1.60 f.o.b. Presque Isle, Maine. Northern sacked Round Whites \$1.70 to \$1.80 carlot sales in Chicago; \$1.60 to \$1.65 f.o.b. New York and Michigan Wealthy apples \$1 to \$1.75 per bushel basket in city markets. New York yellow onions declined 25 to 50¢ in a few eastern markets to a range of \$2.25 to \$2.75 per 100 pound sack. New York domestic type cabbage held nearly steady at \$18 to \$25 bulk per ton in leading eastern markets and \$10 to \$11 f.o.b. Rochester. Peaches generally lower; best stock was selling at a slight advance in a few cities and at Western New York shipping points. New York Elbertas closed at \$1.75 to \$2.50 per bushel basket in leading markets.

Closing prices on 92 score butter: New York 51 1/2¢; Chicago 51¢; Philadelphia 52¢; Boston 51¢.

Grain prices quoted September 30: Minneapolis No. 1 dark northern \$1.36 to \$1.60. No. 2 red winter St. Louis \$1.62 to \$1.65. No. 2 hard winter Chicago \$1.43 1/2 to \$1.44 1/2; St. Louis \$1.52. No. 2 mixed corn Chicago 82 to 83¢. No. 2 yellow corn Chicago 82 1/2 to 83¢; St. Louis 83¢ to 84¢. No. 3 yellow corn Chicago 81 to 82 1/2¢; Minneapolis 76 3/4 to 77 1/4¢. No. 2 white corn St. Louis 83 3/4¢. No. 3 white oats Chicago 39 to 40¢; Minneapolis 34 5/8 to 34 7/8¢; St. Louis 40 3/4¢.

Middling spot cotton in 9 designated spot markets declined 17 points, closing at 22.76¢ per lb. New York October future contracts declined 20 points closing at 23.05¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 30,	Sept. 29,	Sept. 30, 1924
	20 Industrials	143.46	145.06	103.16
	20 R.R. stocks	102.46	103.04	90.20

(Wall St. Jour., Oct. 1.)



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Vol. XIX, No. 2

Section 1

October 2, 1925

**SPANISH GRAPE BAN** A Madrid dispatch to the press to-day states that the President of the Military Directorate and the President of the Government Advisory Board on Economic Matters as well as the Treaty Commission have received requests from the Spanish Association of Fruit Exporters, the Mercantile Circle of Almeria and the Almeria Chamber of Commerce for action in the matter of raising the United States embargo on Almerian grapes, the request being based on the assertion that sterilization by refrigeration can counteract the Mediterranean fruit-fly infection. The Spanish Minister of State has also received a request for action through the Spanish Ambassador at Washington.

**RUSSIAN GRAIN CROP** A Moscow dispatch to the press to-day states that final harvest figures as published yesterday in Economic Life show a total of 4,144,000,000 poods--approximately 2,250,000,000 bushels--for the consolidated grain crop of the Soviet Union. It is about 750,000,000 bushels above last year's showing. The harvest will be partitioned as follows: To the peasant population for food, seeding and the feeding of animals and poultry, 3,123,000,000 poods; for the urban population, 339,000,000 poods; for various purposes--that is, special grants by the Soviet Government to meet need inside or outside of Russia--60,000,000 poods. The surplus available for export will be 622,000,000 poods, or more than 10,000,000 tons, in the coming year.

**BREAD PRICE REDUCTION** A Chicago dispatch to the press to-day states that the price of bread, wholesale to dealers, was slashed approximately 20 per cent yesterday by the Ward Baking Co., of Chicago, supplying about 25 per cent of the bread consumed at Chicago. The cuts enabled dealers to sell the large loaves for 12½ instead of 15 cents, and the one-pound loaves for 8½ instead of 10 cents.

**WALNUT CROP** A Los Angeles dispatch to the press to-day states that the biggest crop of walnuts ever grown in California was put on the world markets there yesterday at prices lower than last year's opening quotations. Early maturing permitted the market announcement in September instead of in October. The estimated crop is 54,000,000 pounds and the estimated income from it \$14,000,000.

**GRAIN STATES EXPECT SALES EXPANSION** A New York dispatch to the press to-day states that expectation of improved sales and collections is indicated in the grain States, an analysis of a survey just completed by the National Association of Credit Men shows. The survey, which embraced Iowa, Kansas, Nebraska, Minnesota and North and South Dakota, reports expectations of improved business by 85 per cent of the concerns that provided the information. Larger sales were reported in August than in July by 62 per cent and 70 per cent reported larger distribution in August, 1925, than in August, 1924, while 27 per cent had smaller sales this August.



## Section 2

## Cooperation

An editorial in the Farm Journal for October says: "Out of the experience of Oliver Cromwell and the parliamentary army in the English Civil war there is, it seems to us, a lesson for American cooperatives. Early in the fighting the forces of Parliament fared poorly. They could not stand the fiery attacks of King Charles' Cavaliers. Only Cromwell's famous 'Ironsides,' a regiment of men picked for their sober minds and religious enthusiasm, were able to defeat anything opposed to them. So it came about that the whole army was reorganized on what was called the 'New Model,' all insincere and untrustworthy men were weeded out, and thenceforth Cromwell and his generals marched from victory to victory. Some of the great cooperatives have reached the point where they are reorganizing into a 'New Model.' The Sun Maid Raisin Growers are taking in new men only on the endorsement of three members. The Texas cotton pool is quietly passing over many present members in its new sign-up campaign. They are not wanted nor needed. The pool wants only members who are true cooperators. Many other co-ops will soon be in a position where they can and should do the same. Let them drop the 'weak sisters,' the contract jumpers, the sneaks, and that large class who can do nothing but 'knock' the management and listen breathlessly to the lies of co-op enemies. Cooperatives of 'Ironsides' only are what farming needs at the present moment."

Everglades  
Sanctuary

An editorial in The Washington Post for October 1 says: "A movement to create a preserve for wild life in the Florida Everglades is attracting the support of sportsmen, naturalists, bird lovers, and others. Mrs. J. M. Wilson, jr., of Kissimmee, Fla., who succeeded in securing legislative action setting apart 100,000 acres in the Everglades for the Seminole Indians, is chief sponsor of the movement for the creation of a sanctuary for birds and game. Enormous stretches of the Everglades are beyond the reach of drainage canals, at least in the immediate future, and form a wilderness which is ideally adapted to the uses of a preserve. The State of Florida is owner of the lands---or waters---in question. It is suggested that the State set apart at least 100,000 acres and dedicate the tract forever to the people of the United States for the preservation of birds and game. The State could well afford to make this contribution to the national welfare, inasmuch as the United States Government made a gift of 5,000 square miles of Everglades territory to that State, and the State has reaped rich benefits from the gift, besides retaining about 1,000,000 acres, part of which is being reclaimed. As the migration of birds is studied it is found that Florida is the chief home and breeding ground of scores of varieties of birds which are found at different seasons from the arctic circle to the equator. Florida, which is now entering upon a new life of immense expansion, can well afford to provide for the future of the attractive wild life of the State by permanently setting apart a portion of the otherwise worthless Everglades."

## French Imports

Imports into France exceeded exports by 39,005,000 francs during the month of August, according to figures compiled by the French customs authorities and transmitted to the Bankers Trust Company of New York by its French information service. Imports for the month were 3,297,316,000 francs and exports were 3,258,311,000 francs. Exports show a decrease of 226,062,000 francs over the month of July but are 349,724,000 francs higher than for August 1924. Imports are 263,767,000 francs higher than



in July of this year and 197,105,000 francs higher than in August 1924. For the first eight months of 1925 France's favorable trade balance amounts to 3,199,681,000 francs.

**Motor Transport and Rail-roads** John F. Fennelly, writing in Commerce and Finance for September 30, says: "Even if we grant the vaunted superiority of the motor truck over the railroad for short hauls, is the supposed economic gain sufficient to warrant the practical elimination of pleasure driving in the open country? We merely offer this suggestion for what it is worth before proceeding to the question of the actual economic value of the motor truck. At present there are over fifteen million passenger cars in the United States and only two million trucks. Certainly the viewpoint of those who own and drive the former should have as much right to consideration as those who operate the latter, and, let it be said again, the two viewpoints are not the same. It must never be forgotten that the railroads provide and maintain their own rights of way and do not interfere with the vested interest of automobile owners. In addition they contribute heavily to the general fund of taxation. If the trucks are to crowd out the railroads even for short haul shipments, why should they not be required to furnish and maintain their own private highways instead of sharing those of the general public? If, under such circumstances, the truck is able to prove its superiority over the railroads there is no room for argument. Nowhere, so far as we know, has such a test been made. As a specific instance, let us take the Lincoln Highway between New York and Philadelphia. At certain points on this road the movement of trucks has become so heavy as to resemble the traffic at Times Square during a rush hour. Would trucking between New York and Philadelphia--a distance of approximately 100 miles--be profitable if the commercial truck lines were required to build and maintain a highway at their own expense? This is the real point at issue; otherwise, the individual economic gain is probably being achieved at the expense of the public. It all depends for what purpose our national highways are constructed. If they are built for the use of pleasure cars and local delivery trucks it is one thing. But it is something else entirely if they are built and kept up at the general public expense to be monopolized by commercial truck lines, which merely duplicate a service already being rendered by the railways. As long as the motor trucks render a service that the railroads can not provide there is no sound economic argument against their continued growth. But when they handle goods more cheaply merely because of a public subsidy between points already served by a railway their economic value must be questioned.... What does it matter whether the motor trucks contribute more than the railroads to highway maintenance, or vice versa? Why should the railroads contribute anything for road building? Would it not be just as sound to tax the motor trucks for the upkeep of the rail lines? What we need is not so much a fairer distribution of the tax burden as a more intelligent system of regulation. Much progress has already been made in the direction of proper taxation for motor trucks. In many States they are being taxed at rates that are said to be commensurate to the wear and tear of the highways. But it is impossible to measure by taxation the public cost of permitting truck lines to monopolize the use of roadways."



## Reclamation

An editorial in The New York Times of September 29 says: "Secretary of the Interior Work describes in the current number of The Outlook the Government's difficulty in collecting water charges from settlers on some of the irrigation projects. This is an aspect of the reclamation problem of which too little is known. Heretofore emphasis has been laid on the excessive charges on certain projects and much has been said about the need of helping the irrigation farmers get through the year. Secretary Work, however, gives the impression that in many cases payments have been refused by persons who could make them. By way of proof, he mentions instances in which the threat of shutting off the water unless prompt payments were made resulted in immediate deposits. Unquestionably many persons hoped and still expect to be able to avoid paying charges for the use of water....The Government's new policy of adjusting charges on irrigation land to its productive capacity should do away with the excessive burdens under which some of the water users suffered on projects where the costs of construction and operation were excessive. Certainly no one will question the wisdom of the Department of the Interior in insisting on payment of the new reduced charge. Irrigation projects must ultimately be placed on a self-supporting basis. To do this means that excess costs on some projects will have to be written off as losses due to inexperience. In the meantime, however, the tendency to consider the Government's charges as undeserving of prompt recognition must be stopped forthwith....The purpose is to get settlers who will stay. Only thus can the projects be developed satisfactorily and can the Government be reimbursed for the cost of construction and operation. In due time the politicians of the States will appreciate that irrigation on an uneconomic basis is less profitable than irrigation which pays for itself, and that it is better for the States as well as for the Federal Government to have as irrigation farmers men who are prepared to meet their just obligations."

## Underwood on

Railroads Since the Interstate Commerce Commission is not representative of all parts of the country, railroad consolidation under it is more likely to be decided favorably to the local viewpoints represented than "to the mass unrepresented and on the outside", Senator Oscar W. Underwood of Alabama declared at Atlantic City October 1, in an address before the State bank division of the American Bankers Association convention. "I have no criticism against the character, attainments or honesty of the members of the commission", Senator Underwood said, "but all men's environment to a greater or less extent affects their judgment. Since organization of the commission in 1887 the South and the West, viewed either from standpoint of territory, population, or production, have been deprived of equal and just representation. If you draw a straight line across the United States from Baltimore in the East to San Francisco in the West you would find every member of the present commission was a resident of the territory North of that line at the time of his appointment. "If we wish a complete and satisfactory settlement of the problem and a permanent basis established that will take the railroads out of politics, serve the producers of the country and become a final determination of the matter, fair and just representation must be given on the commission to that territory that stands unrepresented to-day." There is insistent demand from producers and shippers for lower freight rates and improved facilities, said Senator Underwood, quoting statistics to



show that labor, materials and taxes in 1924 took 83.5 per cent of the roads' total operating revenues. "The railroads must meet their fixed charges or they can not operate", he continued. "We are therefore reduced to about 16 per cent of their operating revenue out of which to pay bonded interest, dividends and reduce freight rates. The funded debt in 1924 was more than 12 billion dollars and the interest charges will consume more than half of the 16 per cent available for capital account, so that only about 8 per cent of the operating revenue is available to pay dividends and reduce freight rates."

#### Wheat Market

An editorial in The Wall Street Journal for October 1, says: "Between the first and the 28th days of September wheat for future delivery at Chicago declined about 20 cents a bushel. Experienced wheat dealers say they can not understand the market and are keeping out of it. Undoubtedly this very absence of the speculative element is one of the main reasons why wheat sells so low. News has been bearish and the speculator is not present to give the market the needed support. In such case wheat acts like any non-speculative commodity which is priced according to the apparent supply and the immediate demand. All news at present is bearish and in a one-sided market the commodity must suffer. So far as known now, the northern hemisphere wheat crop, outside of Russia, is at least 250,000,000 bushels larger than last year. The fact is overlooked that the comparison is of an average crop with a short one. The present European crop, outside of Soviet Russia, is about the pre-war average. It is hardly a safe assumption that Europe will buy 250,000,000 bushels less than last year, but the market lacks the bull speculator who will back up his judgment to that effect. Reports of large Russian crops and heavy offerings of wheat persist. It is common opinion that Russia really has more grain than at any time since the war, but there should be a limit to credulity. All reports put out, even those by the International Institute of Agriculture, are based on statistics of the Soviet Government. That alone is enough to condemn them. The Soviet also has before this made contracts for large deliveries and later canceled them because of lack of wheat. It is conceded that Russia may have some wheat to sell this year, but estimates of the quantity, coming from Soviet sources, should be taken with grains of salt until more is known about the supply. Our own market is a puzzle. Durum is counted in as part of the supply, but this is a macaroni and not a baking wheat. There will be probably 75,000,000 bushels of this wheat, or about twice the domestic consumption. That is an exportable surplus, but it is not bread wheat. Deducting this from the supply and assuming the correctness of official estimates of old wheat on farms as of the first of July and the crop production this year, there appears on actual deficiency of bread wheat east of the Rocky Mountains. If this proves to be the case then the Canadian supply will figure in our price making. That crop, officially estimated at 391,000,000 bushels, is privately placed at above 400,000,000. But to get it here it must climb over a tariff wall as high as 42 cents a bushel. Here again the market needs the speculator to look ahead and balance these factors against each other. Because he is not in the market, wheat is in a state of utter collapse and no one can give a good reason for its downfall."

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Section 3

MARKET QUOTATIONS

Farm Products      Oct. 1: Chicago hog prices closed at \$13.40 for the top, bulk \$11.75 to \$13.25; beef steers choice \$15.25 to \$16.50, good \$11 to \$15.50, medium \$8.35 to \$11.50; heifers \$7.75 to \$12.50; good and choice \$5.85 to \$9.50; canners and cutters \$3.15 to \$4; vealers, medium to choice \$10 to \$14.50; heavy calves, medium to choice \$5 to \$8.25; fat lambs medium to choice \$14 to \$15.85; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes, common to choice \$4.50 to \$8; feeding lambs, medium to choice \$13.75 to \$15.75.

Virginia yellow sweet potatoes closed at \$4.75 to \$5.25 per barrel in city markets; \$4.25 to \$4.50 f.o.b. New York Baldwin apples \$4 to \$4.25 per barrel in New York City; \$3.50 to \$3.75 f.o.b. for sales on contract in western New York. New York and Pennsylvania sacked Round White potatoes \$2.10 to \$2.25 per 100 pounds in eastern cities; \$1.85 to \$1.95 f.o.b. Rochester. Elberta peaches from storage \$1.75 to \$2.25 per bushel basket f.o.b. Rochester Jobbing quotations \$1.75 to \$3.

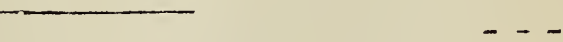
Grain prices quoted October 1: No.1 dark northern Minneapolis \$1.76 to \$1.60. No.2 red winter St. Louis \$1.58 to \$1.62; Kansas City \$1.58 to \$1.60. No.2 hard winter Kansas City \$1.49 to \$1.53. No.2 mixed corn Chicago 80 1/2 to 82¢; Kansas City 80¢. No.3 mixed corn Minneapolis 72 1/2¢. No.2 yellow corn Chicago 82¢; St. Louis 82 1/2¢; Kansas City 81 1/2¢. No.3 yellow corn Chicago 81 1/2¢; Minneapolis 78¢. No.2 white corn Chicago 82¢; St. Louis 83 1/4¢; Kansas City 83 1/4¢; No.3 white oats Chicago 78 3/4¢; Minneapolis 74 1/4¢; St. Louis 41¢; No.2 white oats Kansas City 40 1/2¢.

Closing prices on 92 score butter: New York 51 1/2¢; Chicago 51¢; Philadelphia 52¢; Boston 51¢.

Middling spot cotton in 10 designated spot markets advanced 17 points closing at 22.92¢ per lb. New York October future contracts advanced 22 points closing at 23.27¢. (Prepared by Bu. of Agr. Econ.)

Industrials and	Average closing price	Oct. 1,	Sept. 30,	Oct. 1, 1924
Railroads	20 Industrials	144.77	143.46	104.08
	20 R.R.stocks	103.60	102.46	90.28

(Wall St. Jour., Oct. 1.)





# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Vol. XIX, No. 3

Section 1

October 3, 1925

**HEFLIN ASKS COTTON DATA** A Birmingham, Ala., dispatch to the press to-day states that Senator J. Thomas Heflin yesterday requested Secretary Jardine of the Department of Agriculture to make public before October 5 the abandoned cotton acreage. A telegram sent to Mr. Jardine by Mr. Heflin said: "It is a matter of common knowledge throughout the Cotton Belt that the abandoned cotton acreage this year is the largest in the history of cotton production in the United States. It is generally estimated to be more than 5,000,000 acres. The failure of the Crop Estimating Board at Washington to give to the public this important information prior to September 1 has resulted in just and widespread criticism of the board's conduct and in grave injustice and serious injury to cotton producers of the United States. I most respectfully and earnestly urge upon you the importance of having this long delayed information published throughout the country by or before next Monday, October 5."

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**ARNO PEARSE ATTACKS COTTON REPORTS** An Associated Press dispatch from London to-day says: "Arno Pearse, secretary of the International Federation of Master Cotton Spinners' and Manufacturers' Associations, just back from a six weeks' tour of the American cotton belt, yesterday issued a statement criticizing the American Government's methods of compiling cotton crop reports. "I very much regret having to state that I have lost the confidence which I had in the compilation of these reports," the statement read. "The staff have changed to a large extent, and they have now evidently a great deal to hide. The officials seem more guided by the average guesses of merchants, often interested parties, than by their accumulated statistical evidence."

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**FRENCH DEBT AGREEMENT** An editorial in The New York Times to-day says: "As the first feeling of disappointment at the failure to arrive at a complete settlement of the French debt tends to abate, the mind turns to what has been accomplished. On reflection, it is clear that several points have been gained. On the American side, the steady contention of our Government that France should recognize her obligation to pay the integral debt has won. On the French side, the argument for a virtual moratorium and for a joint study later on of the terms of payment which France may be found able to make has prevailed. Thus there is ground for satisfaction in both countries. Moreover, the stipulated payment of \$40,000,000 a year for five years is not imposed upon France. It is merely the acceptance of her own offer. Yet how great a concession to her, in view of her present financial difficulties, this implies is evident from the careful and detailed statement put out by our own Debt Funding Commission....."

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**RUBBER SHORTAGE** An Akron, Ohio, dispatch to the press to-day states that the shortage of crude rubber will in all probability continue acute for the next five years, in the opinion of P. W. Litchfield, vice president of the Goodyear Tire and Rubber Company, who has just returned from Europe, where he studied conditions in the rubber market.

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## Section 2

**Agricultural Situation** Basing an editorial on ex-Governor Lowden's recent address before the American Bankers Association convention (quoted in Daily Digest of September 30) The Washington Post of October 2 says: "...Agriculture therefore finds itself with its millions freely competing with itself, while it is obliged to sell its products in a highly organized industrial and commercial world. The former governor advocated the formation of farmers' cooperative marketing associations as one means of protection. He insisted, however, that stabilization of agriculture is not alone the problem of the farmer, but of all industries, declaring that no enduring prosperity can exist unless all the principal industries march abreast. No man has a keener insight into the problems of the farmers or a broader knowledge of their needs than Governor Lowden. His views on agriculture are the matured opinions of an economist who has studied his subject deeply. They are sound and practical. Congress may endeavor by legislation to place agriculture on a stable foundation which will insure continued prosperity. The farm bloc will pursue its efforts to make the condition of the farmer a political issue. Doubtless there will be much eloquence spilled in the next session about the farmer and what Congress ought to do to help him. But the farmer by organization and self-protection, as Governor Lowden points out, can help himself far more than all the laws that can be written."

**Branch Banking** A defence of the individual bank against the argument of those favoring branch banking that the individual bank system is responsible for the number of bank failures was made at the September 29 session of the American Bankers Association convention by W. J. Bailey, Governor of the Federal Reserve Bank of Kansas City, Missouri. Advocates of branch banking, Mr. Bailey said, point with pride to the Canadian system as being the ideal banking system and would apply it to the United States. Asserting that the best test of a pudding is in the eating, he pointed out that Canada has accumulated a population of nine million people in the same time that the United States have accumulated 114,000,000 population. In 1923, he said, 290 branch banks in Canada went out of business, adding that there is one bank in Canada and if it should have a failure it would be the same as 665 failures in the United States. "If this branch banking system is such a wonderful system", he continued, "let's measure it by the commercial failures in 1923. They had something like 3,400 in Canada with nine million population. In the United States we had 18,000. Based on population, we ought to have 50,000 failure on that kind of a basis".

**Chicago Produce Market** An editorial in The Wisconsin Farmer for September 24 says: "A magnificent new building, representing an announced investment of \$17,000,000, has been opened for business in Chicago for the use of the commission firms and produce houses of that city who have been located for more than two generations on South Water Street. The new building is to replace the old market, and will house about two hundred different firms, all connected directly with the business of marketing agricultural produce of various kinds. It is a tribute to the business judgment of the men who are engaged in this business that they have so prospered as to be able to erect their new home, and it is also one more object lesson as to the possibilities in the marketing of agricultural products of all



kinds...The farmer can have no complaint because other men, so-called 'middlemen,' have recognized their opportunities and have developed their business to a degree that a \$17,000,000 building is required to meet the demands of their business in one great city. The fault lies in the fact that agriculture, as a whole, has been unable so to organize as to retain the evident profits of this phase of marketing for itself.... Every one of the two hundred or more firms which occupy this building, and which are responsible for its erection, bases its business and its profits upon the sale of agricultural products. They buy directly or indirectly from the producer, and they sell, also more or less directly, to the consumer. In each of these transactions a new profit must be added, taken either from the original producer, or the ultimate consumer."

**Cocoa Exchange** Over \$266,000 worth of cocoa changed hands within the first few minutes of trading on New York's new commodity mart -- the New York Cocoa Exchange -- which opened its doors for the first time on October 1. (Press, Oct. 2.)

**Connecticut Farm Survey** An editorial in New England Homestead for September 26 says: "The intensive study of soil, crops, marketing and management of farms in the Connecticut river valley with especial reference to tobacco is thoroughly worth while. It will be undertaken by experts from Connecticut's two experiment stations assisted by the Connecticut Valley Tobacco Association and by farmers themselves. It may require three years to reach final conclusions but anything worth doing at all is worth doing well. Of course, care must be taken that when conclusions are made, the contributing factors and conditions thereto have not changed. That is one handicap long range studies have to take into account. However, many points under investigation will be cleared up comparatively early and presumably will be given to the public."

**Cottonseed Products as Feed** An editorial in The Pacific Dairy Review for September 17 says: "Eastern butter trade interests are considerably excited over the fact that the Department of Health of the city of New York has taken the stand that butter made from cows that are fed on cottonseed meal is adulterated under the law. It seems that the chemist of the department has discovered what they call the turbidity test. This is a highly sensitive test and shows when the least trace of cottonseed oil exists in butter. It even goes further and gives a positive reaction on butter made from milk of cows fed on cottonseed or its products. On the ground of this test the contention has been raised that the feeding of cottonseed products produces 'impure milk,' as defined by the pure food laws. This strikes any sensible person as a case of straining at a gnat and swallowing a camel. We have no doubt we shall hear vociferously from the cotton interests in the South when they hear about it. But when cottonseed oil enters into so many food products, such as substitutes for butter, lard and salad oils, why worry about that which may pass through the cow into her milk and finally into the butter made from it?"

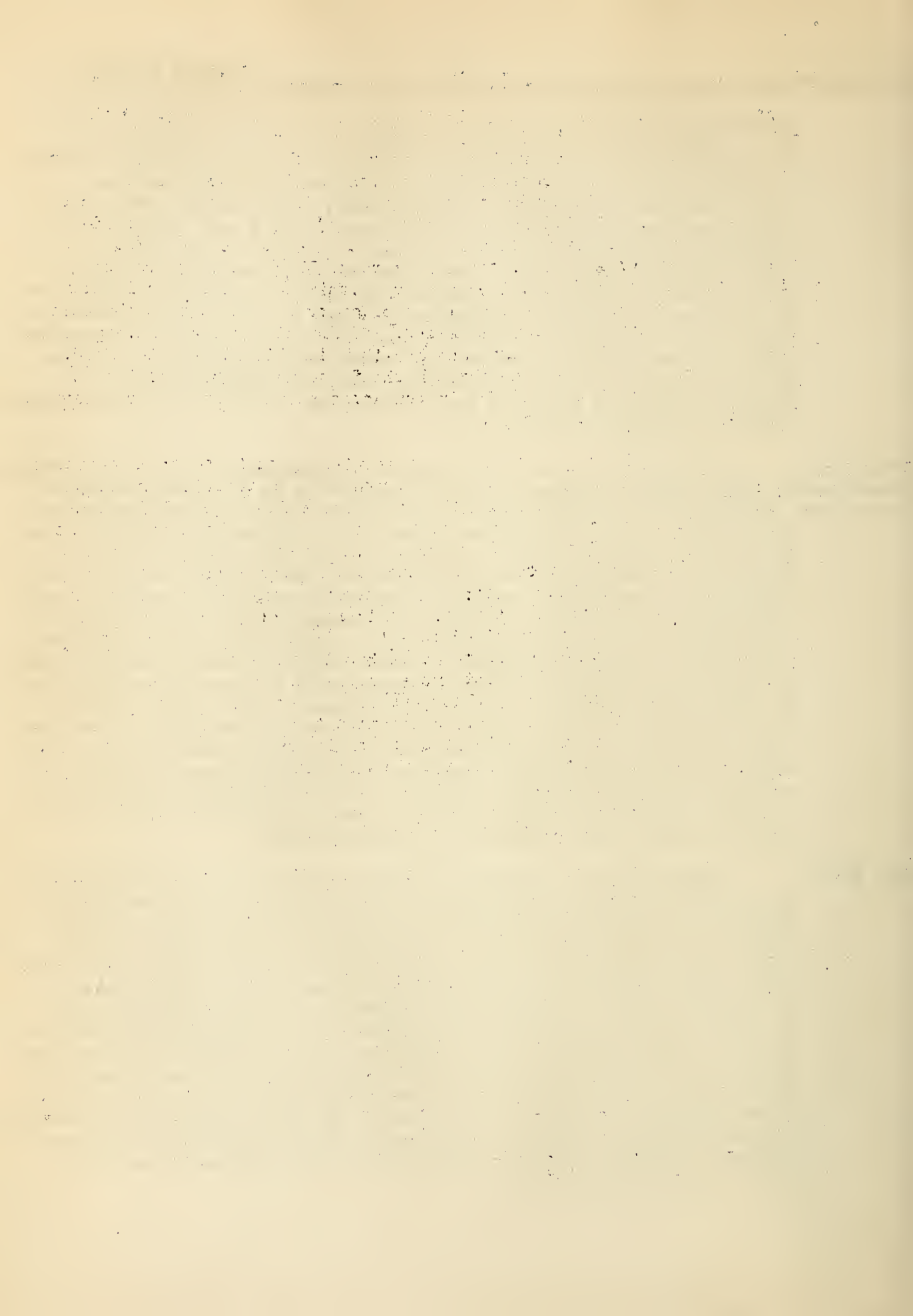
**Florida Farm Land Development** A Valdosta, Ga., letter to Manufacturers Record of October 1 outlines a campaign for developing Florida farm land. It says: "A gigantic agricultural development campaign, unequalled in its scope and value to the South, is to be launched for Florida by a combination of interests. It will be under the guiding hand of W. E. French, at one time connected with the Great Northern Railway and the originator of the



advertising system then employed by that railroad which developed the great agricultural empire of the Northwest, but who has more recently and during the past few years been in charge of the agricultural development work which has so successfully been conducted by the Georgia & Florida Railway.....Florida's greatest asset, 'Its Enormous Undeveloped Agricultural Empire,' will now be exploited under a most complete advertising system....Florida does not begin to feed its own people. The State has ample fertile soil, sufficient rainfall and a vast area of choice farm, truck and fruit land country within its borders, sufficient in scope and sufficiently reasonable in price to warrant the purchase in small acreage units by 250,000 families, and for all to make a prosperous living and to enjoy the comforts and health which Florida has to offer. The properties to be exploited through the first undertaking will be known as Washington Farms and Washington Acres situated in western Florida, chiefly in Washington County....."

**Idaho Home Industries to** An editorial in The Idaho Farmer for September 24 says: "A campaign is being carried on by a recently organized association of citizens calling themselves 'The Idaho Home Industries Association.'...The association is working to induce Idaho people to use Idaho products in preference to products from other States or foreign countries. Although but recently organized, the association has already accomplished some notable results; among them securing an agreement that the purchasing agent for all State institutions shall specify and insist upon having Idaho products supplied in all contracts....The association is striving to educate merchants to cease handling foreign products merely because there may be a few cents more profit in some of the sales, and to induce the merchants to urge their customers to use Idaho products. The association will also endeavor to organize the women into clubs with the express purpose of encouraging the use of Idaho products and get these women's clubs to pledge their members, when ordering from the stores, to specify that they want Idaho products....The theory back of this movement is sound. If it is properly carried on, much good will result. The progress already made indicates the possibilities."

**Meat Trade** Institute of American Meat Packers says: "With the vacation period over and harvest-time activity at its height, the wholesale meat trade during the month just closed showed considerable improvement. This has been true of both beef and pork. The demand for practically all meat products has become more active and the markets have strengthened slightly. Fresh pork cuts and bacon especially have been in strong demand. The foreign demand for American pork products also improved materially as compared with the demand during August. Prices in the United Kingdom improved, and there was a fair demand for meats from stocks already landed and some buying for shipment from this country. The lard trade with England was of fair volume, but prices were not as good as those obtained on the Continent, where there was a good lard trade, especially in Germany and the surrounding countries. In fact, the Continental lard trade was the best in several months. European countries also bought some fat backs and other meat cuts."



Motor Transport and Rail-roads 1 An editorial in Sioux City Daily Livestock Record for September 29, says: "It is no matter of surprise if men who have been trained to railroad work--from the section hand to the highest skilled mechanic--should begin to sit up and inquire how about the future of his job and his pay check. There is no possibility of his job being secure as long as railroads are discontinuing trains, cutting down trains, and in instances pulling up tracks. Every train that is discontinued, every train that is cut down in number of cars hauled, every track that is pulled up, every shop that is closed, means fewer men employed in railroad work. On the farm, we take it, the auto truck is destined to become an economy--after the farmer has learned how to use it and take care of it when it is not in use. On the concrete, or gravel, and for which the employee of the railroad, helps to pay, the big truck, hauling freight one way, is a menace to the pay check of every man connected with a railroad. The railroad helps keep up your schools, it helps by way of contribution in taxes, to run your municipal, county and State government. How much does the big truck contribute in the way of taxes? It is not likely you are going to get rid of the big freight truck on our concrete and gravel, Mr. Railroader. Your one salvation, it would seem, lies in bending every effort to compel the big truck to pay the same proportionate share of cost and upkeep of roads, courthouses, schools etc. as do the railroads."

2 An editorial in The Prairie Farmer for October 3 says: "How far are we going in taking freight and passenger traffic off the railroads and putting it on the public highways? Already we have gone far enough to seriously cripple the railways and to give point to their demand for increased freight rates. Our hard roads are congested with heavy trucks and buses, which operate with little regulation and contribute little to the upkeep of the highways which they destroy so rapidly. Who is benefited by this rapid growth of truck and bus traffic? Certainly not the taxpayer or the private automobile owner who pays for the roads. Certainly not the producer of bulk commodities which must move by rail, and whose freight bills are likely to be increased because trucks and buses are eating into railway earnings. It is time we gave serious consideration to this problem."

Sugar Prices A New York dispatch to-day states that further low levels for sugar since early in 1923 were reached yesterday on a sale of Philippine at 3.90 cents a pound, 1-32 of a cent under the previous sale.

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Section 3

Department of  
Agriculture

The continuance of Federal aid in highway construction was favored in a resolution adopted by the Agricultural Commission of the American Bankers Association at its convention at Atlantic City September 30. The resolution reads: "It is the judgment of the agricultural commission of the American Bankers Association that the Federal Government should continue its cooperative policy with the several States in road construction until such time as the interstate system of highways, laid out by agreement between the Federal Government and the States, has been completed."

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## Section 4

## MARKET QUOTATIONS

Farm Products Oct. 2: Chicago hog prices closed at \$13.15 for the top, bulk \$11.10 to \$12.80; beef steers choice \$15.25 to \$16.50; good \$11 to \$15.50; heifers, good and choice \$7.75 to \$12.50; common and medium \$5.25 to \$8; cows, good and choice \$5.85 to \$9.50; canners and cutters \$3.15 to \$4; vealers, medium to choice \$10 to \$14.75; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers, common to choice \$5.25 to \$9; fat lambs medium to choice \$14.25 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$16.

Green Mountain potatoes closed at \$2.40 to \$2.50 per 100 pounds in New York City; bulk stock \$1.65 to \$1.80 f.o.b. Presque Isle. Virginia sweet potatoes firm, prevailing range on yellows was \$4.50 to \$5 per barrel in eastern cities and mostly \$4.25 f.o.b. Michigan and Illinois Wealthy apples \$4 to \$4.25 in Chicago. In western New York Baldwins for future delivery brought \$3.75 f.o.b. at Martinsburg, W. Va., Yorks were \$3.50 to \$3.75 and in western Michigan. Spys and Kings sold at \$4.50 f.o.b. New York Concord grapes 80¢ to \$1.10 per 12-quart basket in the East.

Grain prices quoted October 2: No.1 dark northern Minneapolis \$1.37 to \$1.61; No.2 red winter Kansas City \$1.59 to \$1.61. No.2 hard winter Chicago \$1.42 1/2; Kansas City \$1.55 to \$1.57. No.2 mixed corn Chicago 81 1/2¢; Kansas City 80¢. No.3 mixed corn Minneapolis 73¢. No.2 yellow corn Chicago 82 1/2¢; Kansas City 82 1/2¢. No.3 yellow corn Chicago 82¢; Minneapolis 79 1/4¢. No.2 white corn Chicago 81 3/4¢; Kansas City 82 1/2¢. No.3 white oats Chicago 39¢; Minneapolis 34 1/4¢; No.2 white oats Kansas City 40¢.

Closing prices on 92 score butter: New York 50 1/2¢; Chicago 49¢; Philadelphia 52¢; Boston 50 1/2¢.

Middling spot cotton in 10 designated spot markets declined 29 points, closing at 22.63¢ per lb. New York October future contracts declined 26 points, closing at 23.01¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 2,	Oct. 1,	Oct. 2, 1924
	20 Industrials	146.13	144.77	103.62
	20 R.R. stocks	102.59	102.60	90.11

(Wall St. Jour., Oct. 3.)



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Vol. XIX, No. 4

Section 1

October 5, 1925

## TARIFF DECISIONS

A recommendation by the Tariff Commission for an increase of 50 per cent in the duty on cotton warp knit fabric gloves has been rejected by President Coolidge. His decision, made public yesterday, was accompanied by a proclamation effecting a 50 per cent decrease in the duty on live bob-white quail. (Press, Oct. 5.)

## BAKING MERGER

An Associated Press dispatch from New York to-day says: "Completion of plans for a \$400,000,000 baking merger, involving the General, Ward and Continental Baking Companies, which together operate 57 plants in all sections of the United States, was announced October 4. The General Baking Corporation, which has been incorporated in Maryland to absorb the three concerns, will be the largest baker of bread in the world, with an estimated total sales volume of \$200,000,000 annually. The capital structure of the new corporation will consist of 10,000,000 shares of no-par value stock, divided into equal portions of class 'A' and class 'B' common. Paul H. Helms, former secretary and treasurer of the Ward Baking Corporation, has been elected president of the company and a chairman of the board will be chosen later. The Continental Baking Corporation, with assets of about \$200,000,000, is the largest unit in the proposed consolidation. The assets of the other two companies, both of which are controlled by the Ward interests, are about \$100,000,000 each."

## FIRE PREVENTION WEEK

The press to-day says: "The observance of Fire Prevention Week, which begins to-day and lasts to Oct. 10, will be more widespread and intensive than ever before, according to the National Board of Fire Underwriters. There has been increased interest in the event every year by chambers of commerce, business clubs and schools, as well as large industrial and railroad companies."

## GRAIN PRICES ON EUROPEAN MARKETS

A Vienna dispatch to the press to-day says: "Reports from the various grain markets of Central Europe show that harvests, both in Austria and in the Succession States, are much above the average from the viewpoint of quantity but are not everywhere satisfactory as to quality. The grain exchanges are showing a sense of uncertainty about prices, especially because of uncertainty as to large quantities of Russian wheat which are reported as being offered for early shipment at lower prices."

## BRITISH PRICES

A London dispatch to the press to-day states that the Economist's index number of wholesale British prices at the end of September indicates that the average now stands at 72 5/8 per cent above pre-war days. At the end of August they were 73 1/2 per cent above pre-war, at the beginning of the year 86 and a year ago 84 3/8.



## Section 2

**Agriculture and Banking** Glenn Griswold, writing from Chicago to The Philadelphia Ledger of October 3, says: "It is a trite saying that farm prosperity is a reflection of national business conditions, but the Federal Reserve banks mirror the agricultural trend probably more accurately than any other barometer. At present there is virtually no borrowing at the Federal Reserve Bank of Chicago for the account of country banks. In fact, some banks that never have liquidated the credits of 1920 and 1921 are now paying off at the central institution. This seems strange at a time when farmer borrowing normally would be expected to advance. But the truth is there has been little call for credit incident to the crop-moving season, and Federal Reserve bank representatives who travel the agricultural district say there is a remarkable feeling of optimism in those territories and a general disposition to pay off any debts that are remaining."

**Apple Marketing in Canada** An editorial in Ontario Farmer for October 3 says: "During the past week an announcement has been made by Hon. John S. Martin, Minister of Agriculture for Ontario, that his department has mapped out a definite plan of action toward the assistance of Ontario apple growers in marketing their product. Propaganda work is to be commenced in Ontario toward stimulating the consumption of Ontario apples in the home market, and 25,000 barrels of representative varieties are to be purchased outright by the department for shipment to Britain, where they will be sold and distributed under departmental supervision. The growers will be paid outright for these apples at prevailing prices, and if any profit is made by the Government on the transaction, it will be divided pro rata at the conclusion of selling operations. ....As an initial demonstration of the possibilities of aggressive merchandising, we believe that this action on the part of the Department of Agriculture is highly commendable, and that it should have the full cooperation of the growers, individually and through their associations. It is not conceivable, however, that the Government should go into the merchandising of the apple crop permanently, or for more than one or two years, and we believe that the growers' organizations should make every possible effort to study the marketing situation as it is revealed during the progress of this demonstration, with a view to acquainting themselves with every phase of the problem, both at home and in Britain, and preparing to follow up vigorously every advantage which may accrue therefrom."

**France's Wheat Crop** France's wheat crop this year compared to that of 1924 shows an increase of 12,721,170 metric quintals. The official figures, as given out by Mr. Jean Durand, Minister of Agriculture, and which have just been received by the Bankers Trust Company of New York from its French information service, are as follows: Wheat, 1925, 89,561,060 metric quintals compared with 76,839,890 in 1924; rye, 11,371,250, against 10,128,600 in 1924; and maslin, 1,311,890 quintals, compared with 1,302,160 in 1924.

**Milling Stability** An editorial in Modern Miller for September 26 says: "F. H. Price, export agent of the Millers' National Federation, has attended a number of millers' meetings during the past five weeks. He says the most strik-



ing thing he learned at these meetings is the fact that millers are showing splendid stability in their business methods, covering operations and marketing. 'Had this slump in export trade happened two or three years ago, it would have created chaos in domestic markets,' said Mr. Price. 'There would have been commercial civil war and internecine strife. I know it would have provoked price cutting and a scramble to operate full time. This year,' continued Mr. Price, 'the mills are operating very close to capacity indicated by President Anderson as sound. They are not selling to hear the wheels hum. They are making profit on less output and there has been a good volume of trade showing a profit.' In short, Mr. Price sees it this way: 'There is no demoralization. There is nothing but sanity, and the millers are showing more good sense in marketing flour than ever in their history. If they continue to watch their step they will come out of this all right and have a good milling year. Some of them have already had it and it is remarkable that a considerable loss of export trade has not caused millers to revert to price cutting and other methods so notable several years ago.'"

Packing  
Business

Outlook for future business is excellent in the packing industry, according to F. Edson White, president of Armour & Co., who is in New York on a business trip. "At present," said Mr. White, "the South is furnishing the most active demand, mainly for pork products, owing undoubtedly to the big cotton crop in that section. With business in many of the industrial centres 'hitting on high' these districts are taking very big shipments of all products. On the whole, the packing situation may be said to be one of soundness, with inventories cut to the bone, outlook for big production of meat products and the country generally in a prosperous condition, indicating big volume of business for the packer." (Press, Oct. 3.)

Russian  
Wheat

An editorial in Modern Miller for Sept. 19 says: "The stories about Russia selling to Italy, France, Germany, Holland and the United Kingdom are worth investigating to determine facts. As Bolshevik propaganda we think that Russia has had no hand in promoting the ticker stories. It was expected that Russia would have 60,000,000 bushels of wheat to export and this is part of the world's surplus that was definitely anticipated, to make up a close balance of supplies and requirements. But that the Russian surplus will be used as bearish features and possibly exaggerated is the real fact to determine, as the Modern Miller sees it. ....Russia has always been an enigma and a bugbear. Last year we found Russia selling wheat and late in the season she startled the world with enormous flour purchases. This is not propaganda, it is queer commercialism. That buying nations will make the most of Russian shipments, goes without saying."

Tomato  
Over-  
Production

An editorial in Pennsylvania Farmer for September 26 says: "The slump in the tomato market caused by over-planting and a favorable season is giving the canners as well as the growers considerable worry. Very good prices were named in can-house contracts earlier in the season, which prices are now better than the open market price. When this is the case the growers hold the canners strictly to the contract. This cannot be said to be the case when the situation is reversed. Some canneries have shut down, fearing future losses from an over supplied



market in canned tomatoes. This is another instance in which many growers were bitten by the crazy bug because of high prices last year, causing them to greatly extend their plantings."

#### Trade Relations

Trade of the United States with its non-contiguous territories in the fiscal year 1925 was approximately 600 million dollars or one-half as much as the trade with the entire world a half century ago. This term, "our non-contiguous territories" includes, says the Trade Record of The National City Bank of New York, Porto Rico; the Virgin Islands; and our more distant associates in the Pacific, the Hawaiian Islands, the Philippines, Guam, Tutuila, and Alaska. Our total trade with all of them in the fiscal year 1925 was \$591,358,000 against approximately \$256,000,000 in 1915 and was in 1925, as above indicated, more than half as much as our trade with the entire world in 1875.

#### Water Transportation

An editorial in The Wisconsin Agriculturist for September 26 says: "A cargo of Canadian flaxseed was docked in Milwaukee recently, consigned to a firm in that city which manufactures linseed oil. The cargo consisted of 163,768 bushels and was shipped from Port Arthur on the northern shore of Lake Superior by the all-water route across Lake Superior, the Sault Ste. Marie canal, the Straits of Mackinac and Lake Michigan. The flaxseed was delivered in Milwaukee at a cost for transportation of 3 1/2 cents per bushel of 56 pounds. The freight rate on flaxseed from Port Arthur to Milwaukee by all-rail route is 53 cents per 100 pounds. The cost to the Milwaukee company by using the all-water route was \$5,322.46; whereas the all-rail rate was \$53,191.80, making a saving to the Milwaukee company of \$47,869.34 on this one cargo. ....When the lakes-to-ocean water route by way of the St. Lawrence River is completed this story will be repeated hundreds of times every year, netting savings in actual dollars of hundreds of millions annually to American farmers, merchants and industrialists. When the great ocean freighters of 20,000 to 30,000 tons capacity can load grain and merchandise at all Canadian and United States lake ports for direct shipment to all foreign countries, the saving to our farmers of the great Middle West will be enormous. It will mean the sound continuation of our agriculture. ...."

#### Wheat and Flour

An editorial in Modern Miller for September 26 says: "We imagine that British millers will like American wheat and British bakers American flour, when they get a good taste of Australian and Russian shipments of wheat, and the flour it makes. Milling, of Liverpool, says: 'The reputation of Australian wheat for quality and purity has stood so high in the past, that we are sorry to hear from some millers that recent deliveries have frequently been very full of unthreshed grain, chaff, long straws and dust. These parcels have given considerable trouble both in the preliminary intake and cleaning plant and in the screen-side proper. The quantity of straws contained in many bags has blocked up elevator gratings, tailed over good wheat from the intake separators, choked spouts, and caused stoppage of plant. ....We wonder if the reason for this is not chiefly the extensive use of the harvester-thresher machines, which cannot be so thorough and complete in the threshing and cleaning of the grain as the semi-stationary power threshing machine. We hope that now the elevator and silo system is rapidly spreading in Australia, the extensive use of such facilities for the reception and storage of wheat will be accompanied by cleaning and grading, so that the handsome Austral-



ian wheat may arrive in this country in at least as clean condition as Canadian and U. S. A. wheats; they deserve to be marketed in a well-threshed and clean condition."

### Section 3 MARKET QUOTATIONS

**Farm Products** For the week ended October 3: Chicago quotations as of October 3 follow: Hogs, top \$13.15; bulk \$11.10 to \$12.80; beef steers choice \$15.25 to \$16.50; good \$11 to \$15.50; medium \$8.35 to \$11.50; common \$6.25 to \$8.50; heifers, good and choice \$7.75 to \$12.50; cows, good and choice, \$5.85 to \$9.50; medium and common \$4 to \$5.85; canners and cutters \$3.15 to \$4; vealers, medium to choice \$10 to \$14.75; heavy calves \$5 to \$8.25; fat lambs, medium to choice \$14.25 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8; feeding lambs, medium to choice \$14 to \$16.

Eastern potatoes, as a whole, are a little higher than a week ago. New York and Pennsylvania sacked Round Whites sold within a range of \$2.15 to \$2.35 per 100 pounds in eastern markets. At Presque Isle, Me., trading was active and bulk Green Mountains advanced 25 to 35¢ to \$1.75 to \$1.90 f.o.b. Apple markets dull, prices nearly steady. Red fall apples from eastern States sold at \$1.25 to \$2 per bushel basket. Virginia yellow sweet potatoes dropped to \$3.75 to \$4 per barrel in New York City but held firm in other city markets at \$4.75 to \$5. Domestic type cabbage from New York was somewhat irregular in city markets, jobbing at \$18 to \$25 bulk per ton but held steady at \$8 to \$12 f.o.b. Rochester. Peaches show little change in prices. Supplies are falling off.

Butter markets very firm early in the week, but uneasiness developed later and the tone at the close was barely steady. Supplies of fancy fresh somewhat limited, resulting in asking prices being firmly held to. Closing prices on 92 score: New York 50 3/4¢; Chicago 49 1/4¢; Philadelphia 52¢; Boston 50 1/2¢.

Wholesale prices on Wisconsin primary cheese markets October 2, 1925: Single Daisies 23 1/2¢; Longhorns 23 3/4¢; Square Prints 24 1/2¢.

Grain market unsettled. Wheat futures again lower with decline of 3 to 6 cents for week. Corn and oats practically unchanged with smaller country marketings offsetting weakness in wheat prices.

Average price of Middling spot cotton in 10 designated markets declined 105 points during the week, closing at 22.41¢ per lb. New York October future contracts declined 86 points, closing at 22.75¢.

Hay market practically unchanged. Top grades firm but lower grades barely steady. Feed markets fairly steady. Offerings light. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Oct. 3	Oct. 2	Oct. 3, 1924
	20 Industrials	146.65	146.13	102.64
	20 R.R. stocks	102.54	102.59	88.97

(Wall St. Jour., Oct. 5.)



# DAILY DIGEST

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Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Vol. XIX, No. 5

Section 1

October 6, 1925

**BAKERY MERGER TO BE INVESTIGATED** The press to-day states that strong intimation was given at the Department of Justice yesterday afternoon that the proposed new \$400,000,000 bakery merger will be placed under scrutiny for the purpose of determining whether any phase of the deal falls within the purview of the anti-trust laws. Department officials refused to comment on the merger beyond informally authorizing the statement that they intend to look into the matter. The Federal Trade Commission was equally reticent, as a commission, with respect to the steps taken yesterday to effect the merger through the incorporation at Baltimore of the General Baking Corporation, but Commissioner Huston Thompson and John F. Nugent disclosed the fact that complaint was made on April 13 last by the commission against the Continental Baking Company, which is proposed to be taken over in the new merger.

An editorial in The Baltimore Sun to-day says: "A \$400,000,000 bakery merger may not embrace so large a share of the business as to constitute a monopoly in restraint of the trade or threaten control of prices, but it should be large enough to demonstrate whether the public wins or loses when such a combination takes place. There is one certain way to prove that it gains in this instance--namely, by lowering the price of bread to the consumer while maintaining the quality. The argument that one big concern can operate more cheaply than a dozen smaller ones is logical enough. There should be economy in production, in buying, in overhead and in numerous other ways. But the public is accustomed to being victimized often by stock jobbing when such combinations are brought about, or for some other reason being denied benefits that should result. Whatever the cause, there is no doubt that it views them with scant hope of profiting in the long run when competition is seriously lessened....There is little present disposition to quarrel with business and to say that it is bad because it is big. But the public has been induced to take this attitude largely because it has had dinned into its ears that bigness means cheaper goods and lower prices."

## INDUSTRIAL DEVELOPMENT

Industrial development in the last fifty years has multiplied many times the opportunities for the individual of gaining a livelihood and amassing wealth, according to a statement issued by the National Industrial Conference Board of New York. The board recently completed an analysis of changes in the occupation distribution of this country during the half century ending in 1920. The new opportunities, according to the announcement, came from the rapidly increasing mechanization of our mode of living, with every achievement creating new requirements. The board's analysis contained figures showing a large increase in the proportionate number of employees in manufacturing and mechanical industries, with a correlative and even greater increase in the number engaged in mining, as against a decline in the number engaged in agriculture. The number of farmers and planters had declined 25.6 per cent in fifty years, the report said, with the number of farm laborers decreasing almost twice as rapidly.



## Section 2

## Banking

An editorial in The Wall Street Journal for October 5 says: "In honor of its golden anniversary, the American Bankers' Association has reversed the usual order of gift making, finding it better to give than to receive. Its birthday present is \$250,000 with which to endow fifty separate institutions to teach banking. To the country's business this is in a class with the endowment of medical institutions for the bodily health of the country. The latter helps to put medical quacks out of business and the other should help perform a similar function for banking. Perhaps there is no branch of business less understood. In many of the rural States there is apparently little difference between the organizing of a bank and the starting of a peanut stand. Naturally, the conduct of some banks is no more businesslike than that of the peanut stand. The large number of failures of banks in the farming communities, so loudly harped upon in the House and the Senate a year ago, was not due entirely to crop failures. If it were, the carefully conducted banks would not be doing business now. In the September number of the Federal Reserve Bulletin is a forty-page article on bank deposit guarantee. The history of the working of this plan, from its initiation in Oklahoma in 1916, is a record of disaster. Yet, after twenty years of humiliating failure, a number of States are now clamoring for a like premium on wildcat banking. As North Carolina is asking for such legislation, the bankers might ask the farmers what would be the result if every farmer were insured against losses from the boll weevil. Ordinary intelligence would point out that the farmer, who is successful because of good management, would be taxed to pay for the losses sustained by the shiftless and incompetent."

## Cotton Prices

A New Orleans dispatch to the press of October 5 says: "As the time approaches for the next Government report, due October 8, there is a tendency to raise crop views. In the absence of the usual official 'pars,' which the Government has announced it will not make public for the coming report, private estimates show a tendency to differ more than usual. Some so-called private authorities have cast aside all consideration of condition averages and are issuing out-and-out estimates. So far about nine private reports have been issued and the average figures out 14,159,000 bales. Some of these reports, however, give estimates of 14,500,000 bales and over. In fact, most reports show estimates well above 14,250,000 bales."

## County Agents

An editorial in Successful Farming for October says: "Some counties have discontinued appropriations for the county agent on a plea of economy. Some others are agitating such a move. If any farmer will take his tax assessment he will see how few cents it really takes to support the county agent by taxation. It is a very small way to save taxes. On the other hand, what county agent has not saved many times over the assessments by promoting better agriculture in the county? In most counties one project successfully put over once in five years would take care of the cost with lesser benefits constantly being derived from this method of spreading better farming methods. It is not that the county agent is any smarter than the farmers he serves but that he gets united action on things they all know should be done but are never done without him. He popularizes the practices of the best farmers in the county. In fact, it is the farmers who lay out the program for him to carry out in the year he is employed. So long as city taxpayers do not object to the assessment, surely the farmers should not."



**Farmers' Purchasing Power**

The Northwestern National Bank Review published by The Northwestern National Bank of Minneapolis, says: "Purchasing power of northwestern farm products is now practically at its pre-war level. An exception is to be made of the income from beef cattle, though the prevailing belief is that the cattle industry is headed towards improvement. The exchange values of wheat, corn, potatoes, hogs and butter are all near par, a little above or below, when compared with exchange values that prevailed in the five year period ending in July, 1914. Wool commands a decided premium. Taking farm products the country over, purchasing power is now the best it has been since 1919, and better than in 1916. All in all, there is now a better balance between the diverse industries of this country than there has been since the war. The cost of living remains high, but so does the general income on the opposite side of the ledger. Indeed, the purchasing power of the American people is undoubtedly greater than it was in pre-war times. Statistics published during the month by the National Bureau of Economic Research practically establish this as a fact. The price changes during the more recent years of this period (1909 to 1921) have been so violent that comparisons of money values for different years tell practically nothing about the variations that in the quantity of goods that the income will buy. It has occurred either in the physical volume of business or been necessary, therefore, to convert many items into figures representing values in money of constant purchasing power. For this purpose prices of the year 1913 have been commonly taken as standard. The results indicate that while the income in current dollars fluctuated widely in 1919, 1920 and 1921, the actual purchasing power has varied but slightly, and for the 13 years under review the real income of the people has shown a practically continuous upward trend."

**Farm Profits**

"An editorial in Successful Farming for October says: "A resolution passed by a gathering of representatives of many farm organizations gave voice to the oft repeated demand both by farm organizations and public speakers, that farmers get cost of production plus a reasonable profit. Those who framed this resolution, and many of those who use this expression mean that agriculture as a whole, and each branch of production shall get a fair return above cost of production if agriculture is to continue. Individuals, however, often take this to mean that each producer shall get cost of production plus a profit. The individual can not be considered in any cost of production plus profit price. To set the price at cost of production by the incompetent, shiftless or unfavored farmers would put the price so high that it would defeat purpose by stimulating such increased production that farming would be ruined. To fix a price that insured the best farmers in most favored sections a fair profit would starve a large majority out who were less competent and less favored. It would develop bonanza farming to the detriment of small owners. Certainly farming must return the cost of production and a profit that is commensurate with the profit that can be obtained from similar effort and investment in other business. If it does not, people will quit farming and go into business that offers greater profit. This does not mean, however, that those engaged in farming, or any other business, whose production costs are too high, can obtain cost of production and a profit. They can not successfully compete with those who by lower production costs can obtain a good profit from lower prices."



**Fire Prevention Week** An editorial in *Price Current-Grain Reporter* for September 30 says: "October 4th to 10th inclusive has been officially designated as 'Fire Prevention Week,' when, through the schools, the movies, the radio the press and many other sources, the people of this country will be told of the importance of 'safeguarding America against fire.' Something of just how important this matter really is may be gained when it is recalled that the loss in improved property last year amounted to \$548,800,000, or nearly \$14,000,000 more than the total value of all of our grain and grain products exports for the year ending June 30. Much of this loss came from unavoidable fires from which but little reduction through fire prevention campaigns is possible, but carelessness, recklessness, procrastination and willfulness are always responsible for a stupendous loss and it is in these directions that educational effort may be effectively directed not only during this one special week but also during every other one throughout the year. The United States can not continue indefinitely to stand such immense economic losses and every citizen has a duty and a responsibility in this particular direction."

**Foreign Trade** A New York dispatch to the press of October 5 states that foreign trade of the United States is growing twice as rapidly as that of the rest of the world, although steady progress is being made by all countries in the re-establishment of international commerce, James A. Farrell, president of the United States Steel Corporation, said in a survey of world business conditions made public by the National Foreign Trade Council. "No other European country makes a showing in real increase of foreign trade since 1913 equal to that of France," Mr. Farrell declared. "Since 1913 France has not only turned an adverse export balance of nearly \$300,000,000 into a favorable export balance of \$162,000,000, according to figures of the fiscal year, but it has also increased the real value of its exports by fully 25 per cent allowing for all deflation in present-day prices." Mr. Farrell estimated that the United States had increased its trade within this period about 30 per cent. The growth of the world's trade within the last fiscal year, he pointed out, had been estimated by Federal Reserve authorities at 6 per cent.

**Forestation** An editorial in *The Washington Post* for October 5 says: "The American Tree Association of Washington is moving rapidly forward in its campaign to establish a national forest policy. Nineteen States now have State forests, 33 have forest departments, 16 maintain State nurseries and State forest appropriations total about \$5,500,000. When it is considered that last year there was an enormous increase in the number of forest fires in the United States and that the property loss mounted into the millions, the importance of fostering the forest movement can be fully appreciated. In 1924 there were 92,000 forest fires, sweeping an area of 29,000 acres, with a money loss of \$38,000,000. The number of fires last year showed an increase over that of 1923 of 24,000, and it was 100 per cent greater than the nine-year average. Last year Congress enacted the McNary-Clarke law, which aims at financial and advisory cooperation between the Federal Government and State forest policies and administrations. Appropriations under the Federal law, however, must be authorized every session. When the full limit of \$2,500,000 is reached by Congress it is hoped that State and private organizations will be spending \$7,500,000 for the protection of forests from fire, making a total of \$10,000,000 a year for that purpose. Expenditure of this sum to



prevent the destruction of forests is fully justified when the large amount of property damage due to fires is taken into consideration. But what is more, the encouragement of a national forest policy will lead, it is believed, to a realization among the States of the vast importance not only of conserving the forests, but of increasing the interest among the people in the planting of trees. The mounting price of timber, due to the great increase in building, is evidence of the vital need of extending our forests. It is not to be expected that construction work will be diminished in the future, and if lumber prices are not to be advanced beyond all reason it will be absolutely necessary to increase the forest area."

### Section 3

Department of Agriculture      An editorial in The Journal of Commerce for October 5 says: "As time passes the uncertainty and dissatisfaction of the trade and of the public at large with the cotton reports of the Department of Agriculture grows deeper and more acute. We can not attribute very much importance to the complaints of professional trouble breeders, South or North, whose only object is to ingratiate themselves with their constituents. To a certain extent their whirling words reflect a sentiment of dissatisfaction in their communities, but beyond that the less attention paid to them the better. There is a much sounder and more weighty body of criticism which can not be ignored. Included in it are the expressions of manufacturers both at home and abroad whose only 'axe to grind' is found in their desire for comparative stability of prices. Just what is the criticism? It certainly is not found in the fact--if such it be--that the Department of Agriculture is 'too high' on the crop. Still less can it be that the department is 'too low.' Since the publication of the department's last estimate of slightly less than 14,000,000 bales several private reporting agencies have published figures for condition. These figures if combined with the known facts as to acreage, after the method of computation generally adopted, indicate a crop of 14,700,000 bales or more. The fault in all these estimates is found in the lack of an essential element of correction--the knowledge of abandoned acreage. Facts on this subject the department has from time to time indicated that it had, and again has stated that it did not have. If it has them it is the only agency so situated, since it is this one group of facts that must be obtained through governmental action with things as they stand. Only the Government has an organization which is large enough to obtain abandoned acreage. There is comparatively little use in discussing the question whether the department has these figures or not. It will not give them out at any rate, preferring to defer such action for a good while to come. The point is that it ought to obtain the facts on this subject at the very earliest possible date and make them known in greatest detail, State by State or county by county. Only on that basis can they be matched with the estimates of yield and so serve as a corrective.... Both last year and this year the department has undoubtedly wandered very far from the truth, probably farther than any of the private estimators of good standing. The facts as to last year's errors are well known and admitted; those as to this year's seem to be in process of demonstration along much the same lines. This is a quite ample experience and one which should lead without further delay to correction by Congress. The semi-monthly figures should be abandoned; provisions should be made for a census of acreage and of abandoned acreage; and the weather and insect



infestation report should be greatly improved. All this need add hardly anything to the actual cost of collection and is a matter which the Secretary of Agriculture is amply in position to attend to, save only the decision as to how frequently reports shall be printed, which is a matter of legislation. Why can not Mr. Jardine and those to whom he is closest in the Cabinet take this matter under serious advisement in the interest not only of agriculture but of commerce as well? By so doing they will greatly help the textile industry which to-day has many difficulties to contend with."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 5: Maine sacked Green Mountains \$2.25 to \$2.60 per 100 pounds in eastern markets; bulk stock \$1.80 to \$2 f.o.b. Presque Isle. New York sacked Round Whites \$2.15 to \$2.35 sales to jobbers and \$1.90 to \$2 f.o.b. Rochester. New York Wealthy apples \$3.50 to \$4.50 per b barrel in leading eastern markets. Baldwins for future delivery \$3.75 per barrel in Western New York.

Cabbage, New York domestic, bulk per ton \$17 to \$25 and \$10 to \$12 f.o.b. Rochester. Virginia Yellow sweet potatoes declined to \$3.75 to \$4 per barrel in New York City but held firm in other city wholesale markets at \$4.75 to \$5. New York Concord grapes firm at 90¢ to \$1 per 12 quart basket in leading markets.

Chicago hog prices closed at \$12.75 for the top; bulk \$11 to \$12.50; Beef steers choice \$15.25 to \$16.50; good \$10.75 to \$15.50; medium \$8 to \$11.25; common \$6 to \$8.25; heifers, good and choice \$7.50 to \$12; common and medium \$5 to \$7.75; cows, good and choice \$5.60 to \$9.25; common and medium \$3.85 to \$5.60; vealers, medium to choice \$9.50 to \$14.25; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs (light and handyweight) medium to choice \$14 to \$15.85; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8; feeding lambs, medium to choice \$14 to \$16.

Closing prices on 92 score butter; New York 50 3/4¢; Philadelphia 52¢; Boston 50 1/2¢; Chicago 49 1/4¢.

Grain prices quoted Sept. 5: No.1 dark northern Minneapolis \$1.37 to \$1.62. No.2 red winter St. Louis \$1.64 to \$1.67; Kansas City \$1.57 to \$1.59. No.2 hard winter St. Louis \$1.50; Kansas City \$1.54 to \$1.57. No.2 mixed corn Chicago 81 1/2¢; Kansas City 80¢. No.3 mixed corn Minneapolis 71¢. No.2 yellow corn Chicago 82¢; St. Louis 81 1/2¢; Kansas City 81¢. No.3 yellow corn Chicago 81¢; Minneapolis 77 1/2¢. No.2 white corn Chicago 82¢; Kansas City 80 1/2¢; St. Louis 83¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 35¢; St. Louis 39 1/2¢. No.2 white oats Kansas City 40¢.

Middling spot cotton in 10 designated spot markets advanced 7 points, closing at 22.48¢ per lb. New York October future contracts advanced 15 points closing at 22.90¢. (Prepared by Bu. of Agr. Econ.)

Industrials and	Average closing price	Oct. 5,	Oct. 3,	Oct. 4, 1924
Railroads	20 Industrials	146.81	146.65	102.85
	20 R.R. stocks	102.33	102.54	88.90

(Wall St. Jour., Oct. 6.)



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Vol. XIX, No. 6

Section 1

October 7, 1925.

## DEPARTMENT OF AGRICULTURE BUILDINGS

The Department of Agriculture is the subject of an extensive article by Will P. Kennedy in The Washington Star of October 6. In this Mr. Kennedy says: "The Department of Agriculture 'is without doubt the worst housed institution in the city of Washington,'

Senator Smoot, speaking officially for the Public Buildings Commission, has formally reported to the President and to Congress. This great department of Government is now scattered over the District of Columbia in 45 buildings (or parts of buildings) widely separated, 28 of which are rented and 17 Government owned. A great many of these rented buildings are nothing more or less than shacks, and the department is using just about every type of building that can be found in the city. The rental bill is \$182,350 per annum, and the cost through inefficiency and lost motion due to this scattered condition and location in unsuitable structures is many times that amount. Only 9 of the 45 buildings occupied are of modern fireproof construction. Of the more than 4,200 employees of the department only about 1,900 (or considerably less than half) are working in modern fireproof buildings, and only 650 in Government-owned buildings of this type. The valuable records of the Department of Agriculture, which directly serves every citizen in this country--scientific, statistical and business--as well as millions of dollars' worth of property, are exposed to an extreme fire hazard in 36 buildings. The Department of Agriculture has been inadequately housed since 1897, and recommendations to relieve this condition have been made by every successive Secretary of Agriculture since (and including) the famous 'Tama Jim' Wilson. --Houston, Meredith, Wallace, Gore and now Dr. Jardine....."

## DAIRY MEN ASK HELP

The press to-day states that Congress was urged to make an annual appropriation of \$18,000 so that Government departments could undertake a monthly summary of production in butter, eggs, cheese and other dairy products at the closing session yesterday afternoon of the nineteenth annual convention of the National Poultry, Butter and Egg Association at New York. A resolution authorized the executive committee to take the project up with the proper authorities in Washington and the Department of Agriculture was said to be ready to recommend it. Another resolution complained of the Government's method of certification to butter as likely to lead to fraud and asked for alteration, although no definite change was suggested. W. H. Whitcomb of Chicago, secretary of the association, advocated the formation of a dairy products bureau in the Department of Agriculture. The meeting also adopted a poultry marketing policy in which stress was laid on preventing the shipment of poultry except that in vigorous health and on cutting down the time between the shipping of live poultry from the farm and its sale to the consumer in dressed condition.



## Section 2

- Agricultural Imports** An editorial in The Pennsylvania Farmer for October 3 says: "It sounds almost alarming to say that for the year ending June 30, 1925, the United States imported agricultural products to the amount of two and one-quarter billion dollars. This is an increase of about \$250,000,000 over the preceding year, but this is mostly made up by increased prices. The fact is not so alarming, however, when it is known that a very large part of these imports is made up of products not produced in this country such as rubber, tea, coffee and tropical fruits. However, there were several million dollars worth of each of the following products imported: animals and animal products, dairy products, eggs and egg products, hides and skins, meats and poultry, silk, clothing, wool, grains, oils, etc. Evidently the tariff wall is not high enough to prevent the importation of sufficient products of most kinds to have a depressing effect upon the American farmer's market. The question naturally arises, Can it or should it be?"
- Canada Exports Onions** Canada's efforts to compete eventually with Bermuda as the world's most famous onion producer are described in a bulletin of the Canadian Pacific Railway stating that an unusual consignment of six carloads of onions, grown in the Okanagan Valley of British Columbia, was recently shipped from the Pacific Coast to New Zealand. The noteworthy feature of the consignment lies in the fact that it is the first evidence that Canada is now growing this vegetable in such quantities that after her own needs are satisfied she has a surplus for export. New Zealand became a customer last year when the Antipodes placed an embargo on the California product. Her satisfaction with the onions purchased from Canada in 1924 has led to increased orders this year. (Press, Oct. 6.)
- Egg Standardization** Belief that if the Government would confine its inspection to wholesale lots based upon examination of a stated number of cases, co-operation between the egg merchants and the Department of Agriculture would be of benefit to seller and consumer, was expressed October 5 by the committee on egg standardization of the National Poultry, Butter and Egg Association in its annual report read to the nineteenth annual convention of the association at New York. The committee urged that the problem be seriously studied. Quoting Frank G. Urner, one of its members, it said that there was a feeling that the Department of Agriculture at Washington was too much inclined to favor cooperative marketing which would, therefore, endanger the carrying out of a solution according to the ideas of egg merchants. "It is my belief that cooperation to secure uniformity in the basis of inspections would be of great value," said Mr. Urner, as quoted by Wayne F. Waller, member of the executive committee. "But governmental action, according to evidence in respect to butter inspections, has been disquieting. It is evident that leading members of the Bureau of Agricultural Economics are strongly in favor of cooperative marketing movements and willing to devote their energies to giving them what benefits are possible through inspection services that may be carried to undue extremes. (Press, Oct. 6.)
- France's Sugar Crop** France's sugar crop this year, according to advices received by the Bankers Trust Company of New York from its French information service, is expected to exceed that of 1921, which is unusually good. The area covered by beet plantations, which aggregated 210,000 hectares in 1914, has now been reconstituted to the amount of 195,000 hectares and the crop



in 1924 totaled 51,377,600 metric tons as against 37,377,600 metric tons in 1923 and 59,393,355 metric tons in 1913. It would seem however that the deficit in quantity is compensated to a certain degree by the present yield in sugar of the French beet which, as stated by statistics compiled by the French Ministry of Finance, for the last four years has exceeded by 60% that of the beet grown before the war.

German Condi-      An editorial in The Journal of Commerce for October 6 says: "The  
tions      executive secretary of the American Chamber of Commerce in Germany has just published a statement intended for American consumption in which he undertakes to analyze the reasons for the severity of the economic struggle which is now going on in Germany. Although the causes of German distress are legion, particular emphasis is placed upon the high level of prices and upon the excessive tax rates which are, of course, a contributory cause of high prices. The Government has actively entered the fight to secure assistance from cartels, trade associations and labor organizations in a campaign to lower prices. Considering, however, that the price level is more a symptom than a cause of Germany's trouble, the effort will seem largely wasted to outsiders...."

Land Reform      An editorial in The Grain Growers' Guide (Winnipeg) for  
in Britain      September 30 says: "At Killerton Park, near Exeter, 30,000 English farmers from four counties met on September 17 to hear a speech on land reform. The speaker was the versatile and undaunted Rt. Hon. David Lloyd George, and the speech was one that must have awakened in the minds of the majority of the audience memories of the stirring fight, four years before the war, over the speaker's first budget, which, in his own words was devised to 'raise money to wage implacable warfare against poverty and squalidness,' and which led to the first reform of the House of Lords....Once again Mr. Lloyd George has issued a challenge to the powerful landed interests of England. The landowners, he said, have forfeited their right of possession of the land because of their inefficiency and selfishness, which had resulted in a serious decline in British agriculture. He proposed that the Government acquire all farm land and pay the present owners an annual rent based on the land's real economic value. The land would be rented to the actual farmers, who would be guaranteed security of tenure as long as they properly cultivated the land, but who would be deprived of their tenancy if they failed to make the best use of it. In addition he proposed a system of Government credit to enable the farmers to efficiently equip their farms. This land reform, Mr. Lloyd George believes, as he believed 15 years ago, would practically solve the problem of unemployment, and make the British people independent of foreign food supplies. If as many men were employed on the land, proportionately, as were employed in Belgium, he said, there would be 2,000,000 more agricultural laborers in England, or about 700,000 more workers than were at present in the ranks of the unemployed. Given the increased production which would follow from a more intensive and more efficient cultivation, a great part of the present food imports, amounting to about \$2,000,000,000 annually, would be produced at home, while millions of acres could be reclaimed for afforestation, and the import of timber correspondingly reduced."



## Mergers

An editorial in The Journal of Commerce for October 6 says: "Business changes and tendencies move in waves as do many other phenomena. Just at present there is renewal of the drift toward mergers and combinations. A good many industries are once more endeavoring to put smaller units under single management and thus to get the advantages and economies which come from combination. A good many others are enlarging their borders by actually buying out plants in the same line and thus increasing the size of the single unit, occasionally closing purchased establishments or changing the scope of their operation so as to confine them to uniform or specialized items of production.... Exactly what basis there is for the considerable revival of the merger tendency is by no means clear. Doubtless a good many of the combinations that have been announced of late have been animated by the mere desire to make money through exchange of stock and leave the real owners of the business about as well off as they were before, or a little less so. In other cases the merger is the outcome of simple desire for bigness or ambition on the part of some individual or group.... It is essential that there be rational and satisfactory control of business enterprise where such enterprise does not show a disposition to respect the public rights. These rights include (1) that of entering any field of industry that may be desired, without artificial handicap or hindrance; (2) that of obtaining from plants already organized continuous service; (3) that of being safeguarded against exorbitant prices imposed either by combination with others or through the possession of virtual monopoly or in any other way. These requisites may in a certain sense be reduced to two--avoidance of unfair trade practice and insistence upon reasonableness and equity in price making. If those two fundamentals can be assured, there will be little to fear from tendencies in business to enlarge the size of its unit."

## Muscle Shoals

A gigantic Government operated hydro-electric system along the Tennessee River and its tributaries is advocated by Chairman McKenzie of the Muscle Shoals Commission if the indifference of private capital forces the Government into the power business. The Government should go into the enterprise on a large scale, Mr. McKenzie declared. Modeled along the plan of the Ontario Hydro-Electric Power Commission, and the plant, could be made to pay all construction and operation costs. "Muscle Shoals should be put to work as Congress intended," the Commissioner continued. "If private industry will not do it, then the Government should step in and operate it, both for fertilizer and for power production. Until we are sure that such a policy is not to be pursued, we should go very slowly in turning over these valuable power rights to any one." (Press, Oct. 5.)

## Peanut Imports

An Austin, Tex., dispatch to the press of October 5 states that at from China a public hearing before the Railroad Commission on the proposition of reducing the freight rates on peanuts between points in Texas, it was stated by N. T. Haskins, secretary-treasurer of the De Leon Peanut Company of De Leon, that the importation of peanuts from China has almost ruined the industry in that State. Chinese peanuts are sold in Dallas at one cent a pound less than the Texas product can be sold for, although the Oriental nut has to be transported across the Pacific, one-half the continent and must pay a duty. Mr. Haskins said that formerly shipments of peanuts from De Leon averaged 3,500 cars a year, while this year the total will not exceed 400.



**Railroad and Motor Truck**      An editorial in The New York Times for October 4 says: "Competition between the railroad and the motor truck presents a problem that is not disposed of by saying that on short hauls truck operation is profitable at the expense of the railroad, but that the latter on long hauls takes practically all the business. The short haul by motor vehicles is becoming longer. No one can set bounds to it. So rapidly is truck transportation growing that Elihu Church, engineer of the Port of New York Authority, does not hesitate to say: 'I expect that motor-truck trunk lines will be built between cities, with banked curves and grade crossings eliminated, with grades cut down as they are on railroads, so that gears will not be shifted so often. It will be done within ten years, and then over these specially constructed roads we shall see fast tractors hauling long lines of trailers....When the trunk line comes to a city it will go round it, and if the city is large enough to justify it there will be a belt around it, and the trailers will be dropped off and handled by a small tractor.' Such trunk-line roads for motor traffic will cost a great deal of money. There will be an approximation to the indebtedness incurred by the railroads for right of way and maintenance. But Major Church's prediction must be heard with respect when William F. Williams, Massachusetts Commissioner of Public Works, adds to it the statement, as he did at a recent Port Authority meeting, that most of the wool now coming into Boston from Lawrence and Lowell is shipped by motor trucks and that they carry nearly every bale of cotton sent from Boston to New Bedford. These are not the short hauls usually spoken of. Long haul or short haul, it is significant that the railroads are organizing to meet the competition of freight trucks and passenger buses....So far the case looks bleak for motor-vehicle transportation, but the pendulum swings the other way when other expenses of operation are compared and when the truck's facilities for handling its load are considered....The trucks pay only to the State, as a rule, and the damage they do the highways is often out of proportion. Moreover, a part of the tax the railroads pay is used to build and maintain highways on which the trucks run. In the summing up, which is so difficult to calculate that it is left at loose ends by writers on the subject, they seem to agree that the motor vehicles more than hold their own on short hauls, but are threatened with extra taxation that may cancel their advantage."

### Section 3

**Department of Agriculture**      An editorial in Wyoming Stockman-Farmer for October says: "Frequent reference is made in these columns to the Department of Agriculture and its work in behalf of the agricultural industry. It is due other departments of the Government to point out that these, too, are in the service of the farmer. No matter what particular line of duties may be assigned to the various branches of the Federal Government, all of them in some way and at some point touch agriculture. Take for example, the Department of Commerce. This is often spoken of as the business man's bureau. As a matter of fact its acts are of as vital concern to the farmer as they are to business. Without agriculture there would be no commerce, hence the welfare of the farmer is of great concern to the Department of Commerce. It is encouraging to note that there is at present close cooperation between the Departments of Agriculture and Commerce, due to the broad conception which the respective secretaries, Jardine and Hoover, have of the inter-relation of their work. Transportation and distribution are two functions that come under the heading of



commerce. The farmer stands toward business in the relation of seller and buyer. He must create good will and an eagerness to buy and he needs the well directed aid of the Department of Commerce in developing markets at home and abroad, therefore, he approves of the existing spirit of cooperation through which these two arms of the Federal Government are making the industry more remunerative. That is the President's policy and Congress approves it...."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 6: New York and Pennsylvania sacked Round White potatoes sold at \$2.15 to \$2.45 per 100 pounds in the East; mostly around \$2.05 f.o.b. Rochester. Maine bulk Green Mountains \$2.65 to \$2.70 in New York City and mostly \$2.05 to \$2.15 f.o.b. Presque Isle. New York Baldwin apples \$4 to \$4.25 per barrel in New York City and \$3.50 to \$3.75 f.o.b. Rochester for future delivery. New York and midwestern yellow onions \$2.25 to \$2.50 per 100 pound sack in consuming centers; \$1.90 to \$2.15 f.o.b. shipping points. Eastern Shore Virginia yellow sweet potatoes ranged mostly \$4.50 to \$4.75 per barrel in eastern distributing centers, low as \$4 to \$4.25 in New York City \$4. to \$4.15 f.o.b. New York domestic type cabbage sold at \$15 to \$22 bulk per ton in the East and \$10 to \$11 f.o.b. Rochester.

Chicago hog prices closed at \$12.80 for the top; bulk of sales \$11.20 to \$12.50; beef steers, choice \$15.25 to \$16.50; good \$10.75 to \$15.50; medium \$8 to \$11.25; common \$6 to \$8.25; heifers good and choice \$7.50 to \$12; common and medium \$5. to \$7.75; cows, good and choice \$5.50 to \$9.25; common and medium \$4 to \$5.60; canner and cutter \$3.15 to \$4; vealers, medium to choice \$9.50 to \$14.50; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs medium to choice \$14 to \$15.85; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$15.90.

Grain prices quoted October 6: No.1 dark northern Minneapolis \$1.41 to \$1.66. No.2 red winter Kansas City \$1.61. No.2 hard winter Kansas City \$1.55 to \$1.61. No.2 mixed corn Chicago 82 1/2¢; Kansas City 81 1/4¢; No.3 mixed corn Minneapolis 72¢. No.2 yellow corn Chicago 83¢; Kansas City 82¢. No.3 yellow corn Chicago 82 1/2¢; Minneapolis 78 1/2¢. No.2 white corn Chicago 82¢; Kansas City 83¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 35 1/2¢; Kansas City 40 1/2¢.

Middling spot cotton in 10 designated markets advanced 4 points, closing at 22.51¢ per lb. New York October future contracts advanced 2 points, closing at 22.94¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 6,	Oct. 5,	Oct. 6, 1924
	20 Industrials	145.11	146.81	102.58
	20 R.R. stocks	101.46	102.33	88.43

(Wall St. Jour., Oct. 7.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 7

Section 1

October 8, 1925.

## SUGAR BEETS IN LOUISIANA

A Baton Rouge, La., dispatch to the press to-day says: "Sugar cane, long a staple crop in Louisiana, may lose its eminence in the list of State's agricultural products, if sugar beet growing proves successful. Cane crops have been beset by many plagues, the most recent being the borelland is proving serious. Mosaic disease and root rot also have attacked cane. Sugar planters have asked that the sugar house at the new Louisiana State University be provided with machinery for refining beet sugar as a part of the experiment planned next year. More than 100 acres of sugar beets will be planted in various sections of the 'sugar belt' of Louisiana next year."

## FOOD PRICES

Slight decreases in retail food prices during the month ending September 15, were shown in Department of Labor figures October 7 for 19 out of a group of 24 cities, but at all of them the level was still materially higher than it was a year ago. Decreases over the month ranged from 2 per cent at Charleston, Cleveland, Indianapolis, Manchester, Milwaukee, Mobile, Pittsburgh and Rochester to less than one-half of 1 per cent at New York. Increase of 1 per cent was reported at Louisville and Minneapolis and a fractional percentage increase at Atlanta, New Haven and St. Louis. Atlanta, with 13 per cent showed the maximum increase since September 15th of last year, while the average increase for the 25 cities for the year was more than 9 per cent.

## GRAIN CRASH IN RUMANIA

A Vienna dispatch to the press of October 7 states that a general rout of the wheat market is reported from Rumania as a sequel to the flight of the country's biggest grain merchant, M. Podimatopol, at the Fort of Braila, on the Danube, who left liabilities estimated at \$5,000,000. M. Podimatopol's bankruptcy involves several leading grain exporters at Bucharest and Braila. News of the Rumania market collapse caused consternation on the Budapest grain exchange, where, after a period of slack trade, big orders recently were received from Rumania. Airplanes have been sent from Budapest to recall a fleet of grain ships now headed down the Danube bound for Braila.

A Bucharest dispatch states that many Rumanian grain exporting and brokerage firms are reported to be in a serious financial plight owing to inability to export under Russian and Yugoslav competition. Several failures already have been announced, and fear is expressed that there will be more unless the Government immediately reduces its export taxes and facilitates the outward movement of grain.

A Bucharest dispatch to-day says: "The Rumanian Cabinet has decided to reduce substantially the export taxes on corn, barley and beans in an effort to relieve the financial crisis brought on by inability to sell grain abroad in competition with Russian exporters."



## Section 2

**Baking Merger** The press of October 7 states that in the absence of more specific information than was produced in carrying forward its probe of the consolidation with the Continental Baking Company of numerous baking companies throughout the United States, the majority members of the Federal Trade Commission are understood to be in doubt as to the ability of the commission to defend any action based on its complaint of April 10.

An Atlantic City dispatch to the press of October 7 says: "Because the \$400,000,000 bread-baking combination is expected to hit labor and the farmers, a real farmer-labor combination for the purpose of fighting the bread combine in Congress and elsewhere is in the making. This was disclosed October 6 when delegates to the convention of the American Federation of Labor were informed that the Bakers and Confectionery Workers' Union, which the Ward interests have fought for several years, has been working in conjunction with the La Follette group in Washington with a view to forcing action either by Congress or through the anti-trust laws. ..."

**British Agricultural Policy** An editorial in Country Life (London) for September 26 says: "The country now has before it the reports of a number of bodies appointed to inquire into the present state of agriculture, the last to be issued being that of the Council of Agriculture for England, published last week by the Stationery Office. In common with the decision of the Agricultural Tribunal, the Surveyors' Institute, the Scottish Conference and others, this report recognizes the need for State aid if the acreage of arable land is to be maintained. 'Agriculturists generally do not ask for State aid,' they point out. 'If, however, Parliament decides that in the interest of the Nation it is of paramount importance to arrest the decline in the arable area, and to bring back land which, in too many cases, has been inadequately laid down to grass, to the fuller production and larger employment which land under the plough can give, then we have to consider what may be the best method of State aid to achieve that object.' In spite of this clear enunciation of the difference between the needs of the individual cultivator and the demands of the State on the industry as a whole, we notice that already the urban press shows alarm. 'Farmers ask for 5,000,000 pounds' may be an effective headline (it appeared on the day following the publication of the report), but it is grossly misleading. No responsible body of agriculturists has, like the miners, demanded a subsidy on the plea that their industry will not otherwise survive. But they have unanimously agreed that without some such aid it is useless for the State to call on them for increased arable production and employment. This is not the place to discuss the advisability of the State shouldering additional burdens. Any opinion on such matters must envisage the whole position of trade credit and finance, and is, unfortunately, liable to be influenced by political considerations. It must be granted, however, that few things are of more importance to-day than the strengthening of our rural life. More and better employment on the land is the surest reply alike to social unrest and depressed industries.... However widely opinions may differ over the question of a subsidy or the best method of granting it, there will be general agreement regarding the importance of the points set forth as the basis of any permanent improvement in agriculture. These are as follows: (1) Improvements in education and research. (2) Encouragement of small holdings, cottage holdings and rural housing. (3) An improved system of agricultural



credit. (4) Better marketing and transport. (5) Steadying of agricultural prices. (6) Lightening of taxation on land. (7) Land drainage. (8) Liming of land. The Council have set these down in what they regard as their order of importance, although some of us would, perhaps, have put No. 5 at the head of the list, none will dispute that every item represents a weakness in the present agricultural position which all concerned must combine to fortify. More especially do we welcome the emphasis laid on the far-reaching importance of giving a definite rural bias to the curriculum of the county school and a preference to the teacher with knowledge of county life...."

**Canadian Wheat** A Winnipeg dispatch to the press of October 7 states that Western Canada's 1925 wheat crop is placed at 400,385,000 bushels in an estimate released there by the Northwest Grain Dealers' Association. This figure is based on an estimate average of 20.1 bushels to the acre on 19,865,500 acres. By provinces the prediction is estimated as follows: Manitoba, 38,634 bushels; Saskatchewan, 226,513,000 bushels; Alberta, 135,385,000 bushels. The aggregate estimate for oats is 392,653,000 bushels; barley, 65,355,000 bushels; rye, 9,220,000 bushels, and flax, 66,395,000 bushels.

**Cooperative Marketing and the Law** An editorial in Nation's Business for October says: "Cooperative marketing, even of a by-product, the Department of Justice apparently thinks, is contrary to the anti-trust laws, if manufacturers instead of agricultural producers are the cooperators. The result is that a very interesting question will in due course of events come before the courts. This is the question whether what is good and lawful for American citizens who are engaged in agriculture is also good and lawful for American citizens engaged in other callings, in themselves as legally proper as raising wheat or growing oranges. The proceeding in which this question may be raised is directed by the Department of Justice against a company which has most of the features of a cooperative-marketing organization for agricultural products. Each concern using the marketing company subscribes to stock in an amount equal to the estimated value of the product it will deliver to the company in a year. As each of these 'contributing stockholders' makes deliveries to the company it receives a small payment, later receiving an 'added price' based upon the actual profits made by the company in disposing of the material. Dividends upon the stock itself are limited to 8 per cent. The commodity is the hair which tanners scrape from cattle hides and calf skins as they tan them. As the capital of the marketing company is around \$3,000,000 and there seem now, after years of growth in the enterprise, to be about 250 tanneries which are owned by 'contributing subscribers,' it would seem that the average value of the by-product of hair which each of these tanneries has to sell in a year is not in excess of \$12,000. The plan, the Department of Justice declares, is 'strictly cooperative.' The result, the Department of Justice alleges, is an almost complete monopoly of the trade in cattle and calf hair, with the company handling between 90 and 95 per cent of the country's supply of cattle and calf hair. If the case could be decided upon the allegations which the Government makes to this point in its proceeding the result would be sure to be interesting. The decision might deal with the pooling of by-product, the fixing of prices for it, and the feature of the plan which requires each participating tanner to deliver all of his hair to the company. The decision may, however, deal chiefly with matters which are now familiar through a long series of decisions;

1. The first part of the document is a letter from the President of the United States to the President of the Senate, dated January 1, 1901. The letter is signed by William McKinley and is addressed to Charles McNamara. The letter is a copy of a letter that was sent to the President of the Senate by the President of the United States.

for the department goes further. It alleges that the marketing company bought out an independent company which handled 20 per cent of the country's supply of cattle hair, made price agreements and the like with other independent dealers in hair, and generally conducted itself like an old-fashioned trust of the sort well known in cartoons. Indeed, the department undertakes to show that the marketing company handling the hair proceeded to get control of a company which made the hair into felt of various kinds and through this company to achieve a monopoly in felts."

**Flour and Wheat** The Northwestern Miller for September 30 says: "It is doubtful if any great basic industry ever made so truthful a confession of its own weakness as that voiced in the address of President Anderson at the recent bakers' convention at Buffalo. It is true that the plea was fashioned about the question of quality of the flour in relation to the kind and cost of the wheat from which it is made; and the general theme was a reminder to the baker that he can, in buying flour, expect to receive only what he pays for. Nevertheless, in its broader aspects the address emphasized the fact that, in sales of flour to bakers, the buyer rather than the seller determines the price. This was made even clearer by reported comment of the head of one of the great baking companies, who declared it was not the business of the baker to protect the miller's costs and profits, but rather the business of the miller himself. 'We may not be expected,' he said in effect, 'voluntarily to advance the price paid for flour; it is the miller's job to care for himself, and we will be forced to pay him whatever he asks.' Obviously this is true, and, equally obviously, the men who have made a great number of profit producing bricks with a minimum of baking straw know that in its truth rests a considerable part of their expectation of maintained earning power. It is no fault of theirs if intensity of competition among millers for business which is without value when secured, leads to their making prices with their eyes closed. The baker, appointed to administer his own enterprise, receives as the gods give, and the gods, generously endowed by millers, give freely and without stint. They are quite evidently human in their lack of help for those who fail to try to help themselves. The baking executive quoted was more generous. He gave millers a hint, and a cause and course of action. We must pay, he said, what we are made to pay, but making us pay is the miller's job....It is possible that he may even know how it could be done, although in simple truth he would have to do it by different methods than those used in the largely uncompetitive and highly profitable baking industry. President Anderson's text was from a historical saying, 'You can not buy more than six clear Havana cigars for a nickel.' He developed it entertainingly, truthfully and well. Yet, the inversion of the text would better serve the present needs of millers. The other way about, it reads, 'You can not sell more than six clear Havana cigars for a nickel,' and get away with it. Taking that text into their hearts would show millers the way to resist the price squeeze increasingly exerted by the great bakery buyers. It is not the baker's duty to distribute largess; it is the miller's job to sell his product at a profit."

**Maryland Cattle Men Plan** According to the Baltimore Sun of October 7, Governor Ritchie will be asked to call a special session of the Legislature to appropriate sufficient funds to continue the work of examining Maryland's dairy cows for tuberculosis, it was announced October 6 at a meeting held in Westminster by representatives of cattle raisers' associations of Carroll County. Inspection of cattle in the counties stopped Monday.



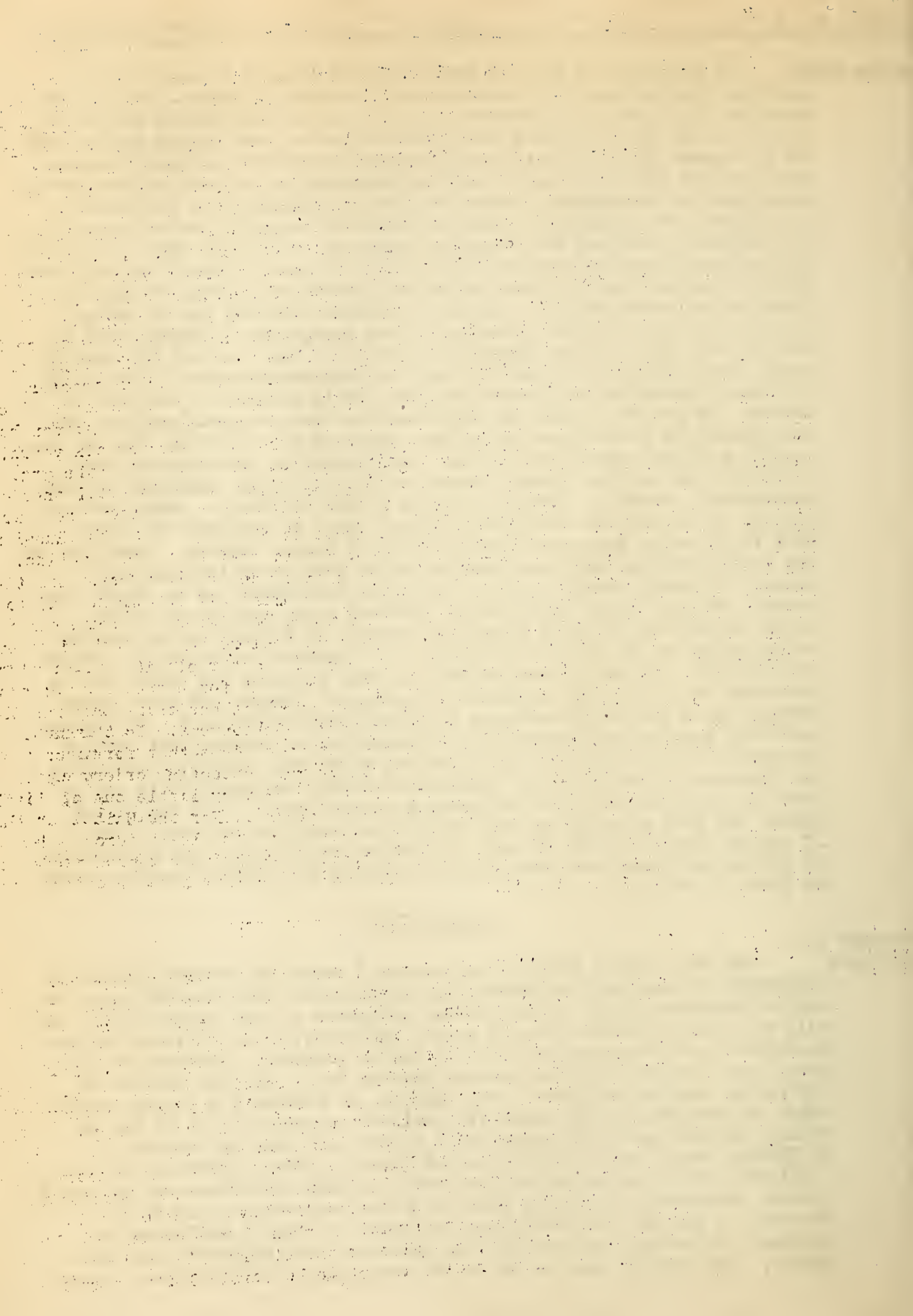
## Russian Trade

An editorial in The New York Times for October 6 says: "If the American business man will put aside his distrust of Russia, and if the American Government will abandon its stand on the question of repudiated debts, the Soviet Government may place within the next twelve months orders to the amount of \$160,000,000 with American producers and manufacturers. Such are the attractive possibilities portrayed by the head of the foreign department of the Supreme Council of National Economy in a statement to our Moscow correspondent. A certain degree of doubt is aroused both by the figures quoted and the manner of approach. If Russia were to purchase \$160,000,000 worth of American goods within a year, it would be four times the total annual imports from the United States into Russia during the three years before the war. Russia's economic recovery may be making headway, but it is hardly conceivable that prosperity is coming back so fast as all that. In the fiscal year ending on the first of the present month Russia imported \$2,000,000 worth of American tractors. The 20,000 tractors foreseen in the Moscow statement would indicate a tenfold increase. As for the \$2,000,000,000 in orders that American business men are invited to contemplate during the next five or six years, that is obviously a highly speculative figure. Supplementing the argument from figures is the warning that if Americans fail to avail themselves of the opportunity, Russia's purchases will be placed elsewhere. Great Britain, Germany and France are described in eager quest of the Russian market. That is by now an extremely familiar form of Soviet tactics. Every one of the leading nations has been urged to enter into trade treaties with Moscow, to extend recognition to the Soviet Government and to supply commercial credits before the prize is snatched up by some other nation. A Soviet commission not many months ago arrived in England to buy textile machinery to the value of \$25,000,000. It departed after placing orders for \$300,000. At the present moment the same argument for haste that is addressed to us is being addressed to Germany. Nowhere has this method resulted in a rush to do business with the Soviet Government. To the extent that imports into Russia have increased it is obvious that foreign business men have been cautiously feeling their way, accepting orders on the fundamental merits of the specific situation and very little out of fear of being shut out from the Russian ground floor....For the United States the fear of being cut out by other nations has the least force. Of our \$54,000,000 worth of sales to Russia, \$43,000,000 were represented by cotton and flour; and Great Britain, France and Germany have no cotton or flour to sell."

## Section 3

Department of  
Agriculture

The Wall Street Journal for October 7 says: "No Weather Bureau announcement is necessary to assure the cotton market that another storm is due to break very soon. This will not originate in the Caribbean Sea, but will be caused by another report by the Department of Agriculture, giving an estimate of the number of bales of cotton produced. Perhaps there has never been a season in which private opinion was so sharply divided on the cotton crop as this year. For example, on October 1 a private agency which is considered as an authority published an estimate of 13,440,000 bales. Another one which stands high in New York made an estimate of 14,710,000 bales, and still another 14,721,000. This difference of over a million and a quarter bales illustrates the wide divergence of opinion of private observers. No matter what the Government estimate may be next Thursday it can not suit everybody when there is such a difference of opinion. Naturally, one side or the other will be displeased with the report. And neither side is apt to be particularly inarticulate. Since



the first week in September belief in a large crop has been gaining ground. Whether those estimates of a crop above 14,000,000 bales are correct or not is not to be decided by an editorial opinion. But the fact that there are more of that belief now than a month or two months ago is not to be ignored in a market where prices are so subject to viewpoints and opinions as is the case in the cotton market. The Wall Street Journal has felt that 14,000,000 bales was the dividing line. There was sufficient planted acreage for a crop above 15,000,000 bales, but weather conditions dashed such hopes. Based on conditions to the first of September, this newspaper estimated the crop at 13,400,000 bales, but pointed out that weather conditions throughout October could vary that estimate over a million bales, and told where the greatest gains or losses might occur. It still maintains the correctness of that estimate, subject to the weather throughout the month of October. Some of the estimates are based on increased hopes in the Southwest. Oklahoma is one of the States placed by this newspaper in the doubtful list. The State statistician now says that rains since the 10th of September have greatly offset the drought damage. Some private reports conflict with this. Some claim a considerable increase in the prospect of Texas. But the Dallas correspondent of The Wall Street Journal, an experienced cotton reporter, writes that the only portion of Texas that could be helped by the recent rains was the west and northwest part. And even there, he says, the weather is now too cool and rainy for the crop. Later ginning returns will clear the atmosphere. In the meantime mills have an opportunity to accumulate cotton at a favorable price."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 7: Chicago hog prices closed at \$12.75 for the top, bulk \$11.20 to \$12.50; beef steers choice \$15 to \$16.40; good \$10.50 to \$15.50; medium \$8 to \$11; heifers, good and choice \$7.50 to \$12; medium and common \$5 to \$7.50; cows, good and choice \$5.40 to \$9; vealers, medium to choice \$10 to \$14.50; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs, medium to choice \$14 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$15.90.

Potatoes advanced 25¢ to 50¢ at eastern shipping points and from 10¢ to 50¢ in city wholesale markets. Maine sacked Green mountains were jobbing at \$2.50 to \$2.75 per 100 pounds; bulk stock \$2.10 to \$2.20 f.o.b. Presque Isle. New York domestic type cabbage mostly \$15 to \$20 bulk per ton in eastern cities and \$10 to \$12 f.p.b. Rochester. Virginia sweet potatoes weakened slightly at shipping points to \$4 to \$4.15 per barrel and in New York City declined to \$4 to \$4.50. Eastern York Imperial apples \$3.75 to \$4 per barrel with New York Wealthys at \$3.50 to \$4.25. Eastern yellow onions slightly weaker at \$2.25 to \$2.50 per 100 pound sack in eastern consuming centers and \$2 to \$2.15 f.o.b.

Grain prices quoted October 7: No.1 dark northern Minneapolis \$1.40 to \$1.65. No.2 red winter St. Louis \$1.66 to \$1.72; Kansas City \$1.59 to \$1.62. No.2 hard winter St. Louis \$1.51 1/2; Kansas City \$1.58 to \$1.62. No.2 mixed corn Chicago 82 1/4¢; Kansas City 80 1/4¢. No.3 mixed corn Minneapolis 72 1/2¢. No.2 yellow corn Chicago 83¢; Minneapolis 82 1/2¢. St. Louis 82 1/2¢. No.3 yellow corn Chicago 82¢; Minneapolis 77 3/4¢; No.2 white corn Chicago 82 1/4¢; St. Louis 83¢; Kansas City 82 1/2¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 35¢; St. Louis 40 1/2¢. No.2 white oats Kansas City 40 to 41¢.

Middling spot cotton in 10 designated spot markets declined 17 points, closing at 22.34¢ per lb. New York October future contracts declined 10 points, closing at 22.84¢. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

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Vol. XIX, No. 8

Section 1

October 9, 1925.

## COTTON REPORT

### COMMENTS

An Associated Press dispatch from New York to-day says: "Government crop figures brought an avalanche of selling into the cotton market October 8, resulting in a break of about \$8.50 a bale and sending the entire list to new low records for the season. The crop figures were fully one-half million bales larger than the trade had expected; and while extensive buying orders for trade account gave the market an occasional support for a time, selling orders poured in throughout the day.....Edward E. Bartlett, jr., former president of the New York Cotton Exchange, declared that the only thing which saved the cotton market from utter demoralization following the publication of the Government crop report was the fact that the market filled with scale-buying orders. He said that, in his opinion, the Government crop experts had found themselves in the same predicament this year as last, when they placed their initial estimates too low and later had to mark them up."

A New Orleans dispatch says: "December cotton broke 105 points, or more than \$5 a bale, to-day on receipt of the Government figures on cotton production and total ginnings to October 1, which were larger than expected. Other months broke 72 to 73 points."

## NORTHWEST FARM

### PROFITS

A Spokane dispatch to the press to-day states that figures just compiled by the Pacific Northwest farm trio, the Washington, Oregon and Idaho Farmers, show the farmers of the three States will receive approximately \$755,000,000 for their products, or \$150,000,000 more than last year. Mining and lumbering in this section are also in good condition, and business in most all lines in Spokane and the Spokane country is good.

## REMOVAL OF RUBBER

### BAN SOUGHT

An Associated Press dispatch to-day from London says: "Removal of the Stevenson scheme of rubber restrictions was urged by a deputiation representing rubber manufacturers and consumers who interviewed W. G. A. Ormsby Gore, Undersecretary of State for the Colonies, October 7. Mr. Ormsby Gore promised to place their views before the Colonial Secretary, L.C. M. Amery, who is giving personal attention to the rubber situation."

## THE BAKERY MERGER

An Associated Press dispatch to-day says: "A sweeping denial of the Federal Trade Commission's charges that the recent acquisition of control in smaller baking companies by the Continental Baking Corporation was in violation of the antitrust laws was made before the commission's board of review by G. G. Barber, chairman of the company's board of directors, and was made public last night by the commission. In making public the denial, the commission voted to set aside its secrecy rule covering proceedings before the board. This exception was understood to have been proposed by Commissioner Thompson, who only a few days ago made public the commission's complaint against the corporation which has subsequently entered a merger with the Ward and General Baking interests, deliberately refusing to abide by the secrecy rules to which he and Commissioner Nugent have consistently dissented....."



## Section 2

Agricultural Education in Britain      An editorial in The Field (London) for September 24 says: "The agricultural industry has experienced many changes during the past fifteen years, and of these the most far-reaching has been the partial disappearance of the old land-owning class....It is a fact that since the War the number of owner-occupiers, or in other words those owning the land they farm, has been just doubled and that now something like 25 per cent of the land under crops and grass is in the hands of owner-occupiers. Any increase in cultivating ownership--to borrow a phrase beloved on the Continent--is welcome on the ground that it makes for national stability; but it is well to recognize that the withdrawal of so many landlords from their estates has seriously depleted the capital resources of the farming industry....We are prompted to discuss this movement to the land by a number of requests for advice as to the best course of training for public schoolboys to follow. Business men naturally want to put to the best use the capital they are prepared to invest, and they are sometimes at a loss to know how best to place their sons. Until recently a farming career has not entered much into the calculations of headmasters, and the needs of the would-be farmer have generally been neglected at his public school. The authorities at Eton and three or four other schools, do now recognize that the farmer needs a good brain and special training; but too many public schools seem still to regard farming as the last resort of the brainless--a sad mistake in the twentieth century. A slight acquaintance with the agricultural sciences such as can be picked up at school will always be useful, whether or not the boy follows it up with fuller scientific training at an agricultural college. In our experience it is always well for the would-be farmer to spend some months, if not a complete year, with a competent farmer before going up to Oxford or Cambridge, or taking a course at one of the agricultural colleges. A year's work on a mixed farm lays a sound foundation; and a grasp of farm conditions and some idea of the considerations which have weight with the farmer are essential to a proper appreciation of the agricultural sciences. Botany, chemistry, physics, geology, zoology and mechanics, however skilfully they may be presented by lecturers, are robbed of their interest if the student can not visualize their application on the farm. Indeed, it might be well for the authorities at Oxford and Cambridge Universities to consider whether they would not be justified in making at least one year's work on a farm one of the qualifications for a degree in agriculture. Some such qualification would enhance the value of a university degree, and would ease the work of the teaching staff....The Dominions are keen to attract men from the public schools to settle on land overseas, and home agriculture can not but welcome a similar influx of new blood....There is, too, plenty of scope for enterprise in the organization of the industry on modern business lines. As we are told often enough, our methods of marketing farm produce are, in some instances, decades behind those of neighboring agricultural countries. Obviously the methods of our competitors with an export trade are not wholly suited to the needs of the home industry, but with a little more enterprise the British producer could greatly strengthen his position in the market....Again, there is room for fresh ideals and ideas in agricultural politics. The present drift--land going out of cultivation and a decline in production--is bad for farming and bad for the Nation. Abuse of well-intentioned politicians does no good. What the industry needs now is active goodwill and constructive statesmanship from those who understand it best."



Cotton and  
Sugar

Theo H. Price, writing in Commerce and Finance for October 7, says: "In a commercial sense cotton and sugar have many points of resemblance. Both are consumed all over the world. Both show a fairly constant increase in consumption. Both present fresh problems with the commencement of each crop year, and both are extremely susceptible to crop estimates. Some statistical resemblance between cotton and sugar is also discernible. In cotton the unit is the bale. In sugar it is the long ton. Of cotton the world now consumes about 24,000,000 bales, while it uses about 24,000,000 tons of sugar. Before the World War a bale of cotton and a ton of sugar had about the same value. During the war and since a bale of cotton has generally been worth more than a ton of sugar. There was, however, a brief period in 1920 when raw sugar sold at 25 cents a pound or \$560 for a long ton, which is a value never attained by an ordinary bale of cotton. Sugar is also like cotton in that the United States dominates the market, as her consumption per capita and in the aggregate is larger than any other nation's. For these reasons, many who trade in cotton have recently become interested in sugar, and when the latter commodity reached three cents a pound for Cuban raws some months ago, the writer said it was cheap and advised buying it. He is still of this opinion, although the price has since declined to about 2 1/8 cents because some predict that Cuba will produce another large crop in 1926....."

Distribution  
Conference of two hundred economists, editors, advertising and business men engaged in the study or application of the manifold methods by which commodities find their way from the producer to the ultimate consumer will meet in Washington in December to chart what has hitherto been virtually an unmapped region in the broad field of commerce,--domestic distribution. "They will trace out the labyrinthine highways and byways which mark the many courses followed in the ordinary day's work of buying and selling. Incidentally they will point out some of the many pitfalls and obstacles encountered which result in the loss of many hundreds of millions of dollars every year in the doing of the gigantic job of supplying the American public with what it wants. This field of economic exploration, in many respects a no-man's-land of business, embraces everything that comes under the name of marketing. Preliminary surveys of the field are approaching completion. For the greater part of the year a score of committees and subcommittees of the National Distribution Conference, organized by the Chamber of Commerce of the United States, have been scrutinizing the methods by which transactions aggregating approximately \$56,000,000,000 a year are carried on. This figure is no more than a vague estimate."

Housewife's  
Salary

An Associated Press dispatch from Chicago October 8 says: "The wives of America would be paid \$17,000,000,000 a year for their services if they were put on salary, W. A. Johnson, of Galveston, Tex., president of the Laundry Owners National Association, told members October 7. 'Weekly payroll of the 22,000,000 wives and home managers of the United States would be \$320,000,000 at \$15 a week each,' he said. 'It is approximately 25 per cent of the total national income, and certainly would seem to be a fair return for the indispensable services of almost half the working population. Women don't demand a business basis because they are used to a sentimental basis. If home managers were put on a salary in accordance with the means of the family, nearly all budget economists are convinced it would be an economical move. Budget system for the family would be facilitated and saving would be systematic.'"



## Railways

An editorial in The Wall Street Journal for October 8 says: "It is something like twenty years since the country has witnessed an active struggle among great railroads for occupancy of undeveloped territory, for the opportunity to lay rails in advance of the flood tide of planters and traders. Such a spectacle has suddenly loomed up in western Texas and again in central Oregon, both regions in which railroad lines are few and far between. In western Texas a new cotton empire and, somewhat northward and extending into southeastern Colorado and southwestern Kansas, a new wheatland, give assurance of tonnage to support better transportation almost from the day it comes. Here the Atchison, Burlington and Rock Island are surveying and organizing for economic conquest. In interior Oregon four transcontinental systems are struggling with one another for advantages of prior entry. Railroad mileage, most of it never of much importance, is being abandoned in the East and even in the Middle West, but on the wide stretches of the plains country and in the few remaining patches of the primeval forest the railroad is taking up again its historic role in the development of this country's natural resources...."

## Rubber Production

An editorial in The Journal of Commerce for October 6 says: "The Department of Agriculture has issued a timely warning against precipitate investment in rubber growing enterprises in tropical America. 'Or anywhere else,' it might be added, since to anyone who has followed with half an eye the catastrophic ups and downs of the rubber industry it must be evident that what has happened once can easily occur again. Speaking of the possibilities of increasing the rubber output of the Philippines, for example, the Philippine commercial attache at San Francisco emphasizes the ever present danger of overproduction. Remove the restrictions which are now enforced under the Stevenson plan, and the market will be flooded with crude rubber, according to this authority. Not only in tropical America but in the Far East large undeveloped areas are available for rubber growing. In British and Dutch colonies, labor too is cheap and abundant. If American investors show any undue haste in exploiting the profit making possibilities of the present abnormal rubber market, they will have good cause for indulging in vain regrets later on."

## Wheat

Frank Greene, managing editor of Bradstreet's, is the author of an article on business conditions in Nation's Business for October. He says in part: "The Agricultural Department's advice appears good at present but so much depends upon the character of the growing season at home and abroad that such advice must be extra hazardous. Thus, if a repetition of the 1924 wheat crop in Europe and Canada occurred, and the farmer had taken the advice to keep down his acreage and lost a market for his wheat, the department would lose caste among the host of its friends. If there is anything in the theory of keeping crops down to avoid a burdensome surplus, the farmer might well give the department's advice consideration, but if the advice proves faulty through unforeseen crop developments, the department need not expect any large amount of gratitude. As an example of the extent to which the American farmer, in defiance of himself, has been helped by not having a burdensome surplus this year, some figures contained in an article published in the Liverpool Corn Trade News, by Sir James Wilson recently, may prove of interest. That gentleman figures the world yield this year at 3,186,000,000 bushels as against 3,000,000,000 bushels last year and 3,440,000,000 bushels in the big year 1923-24. He figures that Europe can get along with 200,000,000 bushels less than



last year, which will not be far from the size of the decrease in the total American yield, according to latest estimates. If the United States had 200,000,000 bushels additional to dispose of this year the American farmer might not be getting as good a price as he is getting or expects to get for the rest of the 1925 crop. Indications rather favor the idea that the corn crop now estimated at about 2,900,000,000 bushels, but still 560,000,000 bushels above a year ago, will not prove burdensome to prices for that grain. At present prices for hogs, there is claimed to be more money in feeding the hog than in selling the grain, even at the present prices for the grain. Following along the lines of this 'feeding the grain' idea, two years ago it may be recalled the farmer saw his hogs sell at wonderfully low prices while the tail end of the big corn crop of the year before sold at high prices in the following September."

### Section 5

Department of Agriculture of Secretary Jardine's determination to take charge of the narcissus bulb embargo controversy and issue a decision within a few weeks comes as a welcome note to all in the trade, no matter what their convictions as to the need of excluding the stocks. Indecision as to the availability of foreign supplies is in many respects only a degree less inconvenient than either total exclusion (to those who deplore it) or free admission (to those who seek protection from foreign competition). And the longer the indecision lasts the greater its burden and the more complete its demoralization of trade activities. As to the ultimate findings, we can look forward with full confidence in the sincerity, ability and thoroughgoing fairness of Doctor Jardine. As to our beliefs, we can say with the New York Herald Tribune of September 29: 'The Horticultural Board has looked forward to stopping all miscellaneous plant importations into the United States, the narcissus quarantine being only an extension to a new group of bulbs of the policy of plant isolation, a policy that Congress certainly had not in mind when it passed the plant quarantine act defining the functions of the pest-fighting board. Secretary Wilson before the law was passed said that fears were absolutely groundless that the Department of Agriculture in enforcing quarantines "would unnecessarily interfere in any way with legitimate importations of plants." Events have proved that such fears, if they were entertained, were not groundless. Secretary Jardine, as a sensible executive who has taken pains to examine the countrywide protests and the grounds for them, must be aware of the arbitrary nature of the Federal Horticultural Board's encroachments on the field of commerce. He has the power to revise the quarantine policy according to the salutary intention of the quarantine act. The board kept out pests successfully at first without undue interference with trade. It must be required to return to that practice.'"

2 The Baltimore Sun to-day comments: "Attacks on the accuracy of the Government estimates of condition of the cotton crop, as led by southern members of Congress, have assumed an international aspect. Arno S. Pearce, secretary of the Master Cotton Spinners and Manufacturers' associations, of Manchester, England, has joined in criticism of the Government cotton forecasts. A situation has arisen which may place the Government cotton forecasts on trial before the world, it is said. The Crop Reporting Board challenges impartial investigation into its methods of arriving at estimates. Sporadic attacks on the cotton reports are the usual accompaniment of the official forecasts during the season, but this year southern planting interests have been taking especial exception to the estimates of



probable production, contending the Government figures are too high. Senator Heflin of Alabama, and Representative Rankin of Mississippi have been conspicuous in their criticisms. But attacks on the accuracy of the Government's estimates from abroad produce a more serious situation, since it places the Crop Reporting Board on the defensive before the cotton trade of the principal foreign markets for the American crop. While the criticisms of Mr. Pearse are resented by the Government cotton experts and hotly denied as to the veracity of their foundation, nevertheless it is recognized that he exercises wide influence in the cotton world....."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 8: Chicago hog prices closed at \$12.55 for the top; bulk of sales \$11 to \$12.30; beef steers choice \$15 to \$16.40; heifers, good and choice \$7.50 to \$12; medium and common \$5 to \$7.50; cows, good and choice \$5.40 to \$9; medium and common \$3.85 to \$5.40; canners and cutters \$3.15 to \$3.85; vealers, medium to choice \$9.50 to \$14; heavy calves \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs medium to choice \$14.25 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$15.90.

In western New York sacked Round Whites were mostly \$2.25 to \$2.35 per 100 pounds f.o.b. and the same class of potatoes in bulk brought \$2.35 to \$2.50 in New York City. New York Concord grapes were slightly lower at 85¢ to 95¢ per 12-quart basket in eastern markets. New York Baldwin apples brought \$4 to \$4.25 per barrel in New York City and contract sales for future delivery at shipping points were at \$3.65 to \$3.75. New York domestic type cabbage firm in eastern markets at \$20 to \$25 bulk per ton; steady at \$10 to \$12 f.o.b. Rochester.

Closing prices on 92 score butter: New York 50 1/2¢; Chicago 48 1/4¢; Philadelphia 51 1/2¢; Boston 50¢.

Grain prices quoted October 8: No.1 dark northern, Minneapolis \$1.39 to \$1.65. No.2 red winter, St. Louis \$1.72; Kansas City \$1.58 to \$1.61. No.2 hard winter, St. Louis \$1.54; Kansas City \$1.54 to \$1.60. No.2 mixed corn, Kansas City 80¢. No.3 mixed corn, Chicago 79 1/2¢; Minneapolis 73 3/4¢. No.2 yellow corn, Chicago 81¢; St. Louis 81 3/4¢; Kansas City 81¢. No.3 yellow corn, Chicago 80¢; Minneapolis 78 1/2¢. No.2 white corn, Chicago 80 1/4¢; St. Louis 83¢; Kansas City 82 1/2¢. No.3 white oats, Chicago 39¢; Minneapolis 35 1/4¢; St. Louis 39 1/2¢. No.2 white oats Kansas City 40¢.

Middling spot cotton in 10 designated markets declined 138 points, closing at 20.96¢ per lb. New York October future contracts declined 149 points, closing at 21.35¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price		
	Oct. 8,	Oct. 7,	Oct. 8, 1924
	20 Industrials	146.75	145.60
	20 R.R. stocks	101.64	102.06
			88.26

(Wall St. Jour., Oct. 9.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 9

Section 1

October 10, 1925.

**CHICAGO BOARD OF TRADE RULES** A Chicago dispatch to the press to-day says: "Revolutionary revisions in the rules of the Chicago Board of Trade, ending a stormy battle of more than six years over grain marketing methods, were adopted October 9 by an overwhelming vote of the membership. One rule is expected to curb wild price swings, another creates a Business Conduct Committee to supervise trading ethics and protect the public interest, and a third major change permits outside members to vote by mail, a point in controversy for ten years. The changes and the recent creation of a modern clearing house system, officers said, have the indorsement of the Department of Agriculture, charged with supervision of the exchange. The changes made by the Chicago Board are expected to be followed by other exchanges, and Minneapolis already has adopted almost identical amendments. 'To-day is sun-up for American grain exchanges,' Frank L. Carey, president of the Chicago board, said. 'At one stroke more has been accomplished than would have been possible in years of legislative effort, whatever the sincerity of such aims. Our revisions have come from within. They are sincere and genuine. Their importance is far-reaching. They strengthen the only weak points of a marketing system that now stands a challenge in efficiency.'"

A Minneapolis dispatch to-day says: "Officers of the Minneapolis Chamber of Commerce are empowered to declare an emergency and close the market in case of price variations in excess of 5 per cent, under amendments to the rules adopted October 8; it became known October 9."

**FRENCH WHEAT CROP** A Paris dispatch to the press to-day states that the French wheat crop for 1925 is estimated in the Journal Officiel of October 9 as 8,960,000 tons, an improvement over last year. The heavy yield is attributed to larger areas, new fertilizers and more modern methods, notably the replacement of the disappearing farm hands by machinery. As the country needs 8,900,000 tons, only certain hard wheats, used for the manufacture of macaroni and similar products, will be imported.

**DAIRY COMPANY MERGER** The Philadelphia Ledger to-day says: "A plan for the largest merger of dairy companies ever effected in the United States has been assented to by the officers and majority shareholders of the Supplee-Wills-Jones Milk Company, of Philadelphia, and the National Dairy Products Corporation, a Delaware concern, with main offices in New York. The merger brings together companies distributing milk and ice cream in Philadelphia and surrounding territory, Atlantic City, Pittsburgh, Chicago, Hammond, Ind.; Perth Amboy, N.J., Altoona and Oil City, Pa., and Aurora, Ill. Financial details of the consolidation have not yet been completed and officials of the companies interested are not prepared to state at this time what the capitalization of the merged organizations will be."



## Section 2

## Bakery Merger

An editorial in The Journal of Commerce for October 9 says:

"President Coolidge came to the White House crying Peace, Peace, when there was no peace....One acute phase of this family warfare is found in connection with the trust question. Happily and triumphantly the Department of Justice lately announced that it had 'called off' 50 anti-trust proceedings because there was no basis for them. The Trade Commission was carefully muzzled and told to roar as gently as any sucking dove. Yet in spite of all this it now appears that a number of members of the commission want to 'go after' the new baking merger, while there is an element in the Department of Justice which is constantly crying out for more offerings in the way of trust prosecution. In short there is a hopeless division both on the question when is a trust not a trust, and also as to the question first raised by President Roosevelt as to when a trust is good and when it is bad. On neither of these essential points is there harmony of opinion to-day. If there were it would be desirable first of all to determine exactly what should be done and how prosecutions could be instituted in such a way as to play no favorites and to treat all alike. This would be a difficult enough matter in itself. But as things stand these fundamental agreements have never been reached. The prosecuting officers do not know when a trust is a trust or the marks of a good as against a bad organization. So they keep barking up the wrong tree and attacking Secretary Mellon's aluminum interests, while they abstain from checking the bakery merger and in other ways display a general 'footlessness.' Would it not pay the administration first of all to get down to cases and find out what it means by a trust or combination so as to lay down some rules to govern the undertaking of prosecutions? Why leave it to the courts to decide whether a prosecution ought ever to have been begun at all instead of confining them to the merits of the particular cases that are brought before them? Finally, why should not our administrative authorities decide in their own minds whether it is their intent to go after a large organization merely because it is large or whether they want to limit their attacks to large organizations which are also oppressive. Instead of its being bad 'politics' to announce a policy on such a subject it might be the most brilliant political stroke of the past quarter century."

British Business Situation

The world-wide business crisis of 1920-21 was followed by a particularly trying economic situation in Great Britain, which has so seriously affected the minds of many English business men and economic experts that they do not seem to realize the fact that each year since 1921, when conditions were at their worst, has registered an improvement in the volume of business transacted and in the condition of the national finances, according to a study of the situation recently completed by the foreign information service of the Bankers Trust Company of New York. The expenses of the National Government during this period have been markedly decreased and some 500 million pounds has been paid down upon the public debt. These expenditures have been met wholly from revenue collections, and yet at the same time taxes have been substantially reduced. There has been a marked recovery in the volume of business done, as evidenced by the amount of coal consumed, by the amount of pig iron consumed, by the tonnage carried by the railroads, and by the output of the textile industries. This increased business has been done under the discouraging conditions of falling prices and of a considerable friction between employers and employees. At last, however, prices seem to have reached bottom and have



come in line with the price situation throughout the world wherever the currencies have been put upon a convertible basis. The index number for production, compiled by the London-Cambridge Economic Service shows that combining agriculture, mining, iron and steel in its various phases of manufacture, shipbuilding, and textiles there was a slump from 97% of the pre-war status in 1920 to 71% in 1921, and that following this there was a reaction to 89% in 1922, to 92% in 1923 and to 98% in 1924.

**Cheese Memorial** An Associated Press dispatch from Camembert, France, October 9, Planned says: "France, a nation that takes pride in raising monuments to her illustrious sons, will not permit the birthplace of one of her famous cheeses to remain unhonored and unsung. In this little village of Normandy, where the odorous but delectable Camembert first saw the light of day, the town fathers have decided to erect a handsome memorial tablet commemorating that momentous event in the gastronomic history of civilization."

**Coffee Price** The Department of Commerce was informed October 8 that the Control Brazilian State Minas Geraes had joined with the State of Sao Paulo in activities to raise funds to keep up the price of coffee. The authorities of Minas Geraes, the department was advised, now proposed to levy a tax on each bag of coffee produced in the State when the price is above 10 cents a pound in New York. The tax funds will be used to fix the price of coffee in the State and to finance plantation operations. (Press, Oct. 9.)

**Cooperative Purchases in Britain** "The Cooperative Purchase of Agricultural Requisites," which covers a survey of the present position of England and Wales in this regard, is published as Economic Series No. 5 by the British Ministry of Agriculture and Fisheries. In its introduction the bulletin says: "Cooperation applied to the purchase of agricultural requirements has made greater progress in this country than cooperative marketing, and was an earlier development, but the progress achieved is substantially less than that recorded in many other countries, including Denmark, where organization for purchase followed in the wake of and did not precede organization for sale. As with cooperative marketing, however, there is a lack of reliable and comprehensive information regarding the development, trend and business outlook of the movement in England and Wales. It is the purpose of this report to attempt to fill the gap by analyzing the functions and results of the existing societies as a whole, by describing, in detail, the methods adopted by a number of individual societies which may be regarded as typical in one or more important respects and by discussing the administration, trading policy, finance and other business aspects of societies generally...." The report says in part: "So far as can be ascertained, the number of farmers' societies trading mainly in agricultural requisites in the year 1923 was 193, with a total turnover of 8,203,580 pounds. The membership of these societies totalled 60,066, the share capital nearly 1,000,000 pounds, and the total capitalization from all sources nearly 2,000,000 pounds. The results for the year 1924 are not yet fully available, but are expected to show a small increase in share capital and membership, a slight reduction in the number of societies in active business, but a considerable increase in turnover. The steady appreciation in membership is worthy of note in the light of the setbacks of the past few years, and, together with the probability of improved results for the year 1924, suggests that the movement has regained its momentum. Some idea of the extent to which farmers have adopted the system of cooperative

THE UNIVERSITY OF CHICAGO  
DIVISION OF THE PHYSICAL SCIENCES  
DEPARTMENT OF CHEMISTRY  
530 SOUTH EAST ASIAN AVENUE  
CHICAGO, ILLINOIS 60607  
TEL. 373-5500  
FAX 373-5500  
WWW.CHEM.UCHICAGO.EDU

TO: [Name]  
FROM: [Name]  
SUBJECT: [Subject]  
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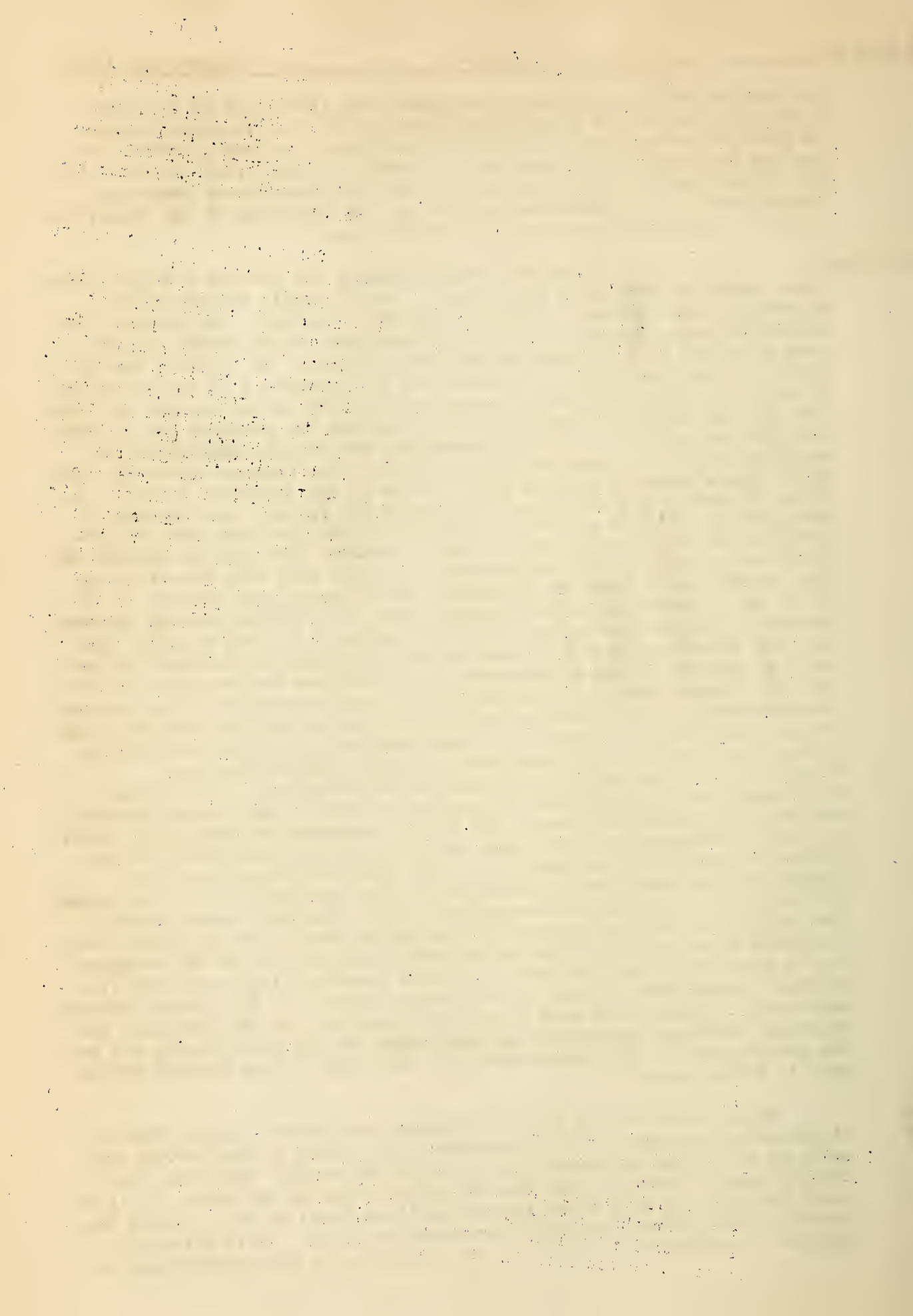
purchase in this country may be gathered from the report of Professor D. H. Macgregor of the Agricultural Tribunal of Investigation 1923-24, in which it is estimated that one English farmer in four is associated for the purchase of requirements. It should be added that, in 1924, both the Agricultural Organization Society and the Agricultural Wholesale Society went out of existence; certain of the functions of the former have now been assumed by the National Farmers' Union."

#### Cotton Crop

An editorial in The Wall Street Journal for October 9 says: "Cotton crop, based on conditions to October 1, is officially estimated at 14,759,000 bales against 13,931,000 two weeks earlier. The estimate is equivalent to an official declaration that this is the second largest crop of cotton ever produced in the United States. On August 1 the official estimate was 13,566,000 bales and on September 1 it was raised to 13,740,000. The consensus of opinion in New York cotton circles was that the crop was 14,250,000 bales. Thus the market was prepared for an estimate larger than the one of two weeks ago, but totally unprepared for anything like an increase of 828,000 bales in the two-week interval. The result was a break of from \$3 to \$4 a bale in the different futures. A storm of protest and criticism will follow the report. But instead of indulging in too much of that it might be better for those who are disappointed to wait for the later ginning returns. The ginning returns are for bales actually ginned and counted. If they show this report is too high cotton must follow the inexorable law of supply and demand. If it breaks on a bearish estimate it should rise on a bullish showing. However disturbing the changes in the estimates may be it is fair to infer that the Crop Reporting Board has made its calculation on the strength of reports of many thousands of observers who themselves are southern men. Then too, the ginning return of over 7,100,000 bales is something that can not be overlooked. It is probable that there never before has been that much cotton ginned prior to October 1. Last year was the first time ginning returns to October 1 have been made up, and the amount then was 4,527,668,000 bales, or 33.2 per cent of the total crop. The present is an unusually early season and it is probable that a much larger percentage has been ginned this year. But even a conservative guess would point to a crop considerably larger than 14,200,000 bales, the average of the guesses at the Cotton Exchange. The Crop Reporting Board takes the ginning figures into consideration and it also has estimates of the number of bolls to a plant that are considered safe. The Wall Street Journal has maintained that the element of uncertainty was in the Southwest, where a million bales might be added to or taken from the crop as of September 1. It is evident that the board considers enough of that crop safe from frost at normal date to make up its present estimate. The ginning returns and weather reports will soon decide the question. In the meantime, the spinning industry, handicapped by small supplies and high prices, now has the opportunity to fill requirements on terms that to its capital should mean 'a living wage.'"

#### Florida Crops

An editorial in The Rural New-Yorker for October 3 says: "Few of us are able to comprehend the remarkable speculation in real estate now going on in Florida and some other parts of the South. There has been nothing like it since the old days of gold digging in the West. It is in truth for the most part a gambling proposition based on the possible increase of land values for winter residence property. While originally confined to southern Florida it is now appearing in the northern part of



the State, where there are strips of heavier soil. Another land 'boom' seems to have started in western North Carolina in the territory where tourist hotels and towns abound. The increase in land values in these places will be permanent and solid for, as the years go on, there will be more and more of a movement toward the 'pleasant places' where people of means may keep comfortable during the fall and winter. And this will affect our northern gardeners and farmers to some extent for, as the winter population of the South increases, there will be greater local demand for food and less and less of the southern crop will be sent north for market. In the past this northern shipment has been so heavy that it has interfered considerably with the sale of northern products."

**Price Control** H. Parker Willis, editor of The Journal of Commerce, is the author of an article entitled "Just What is a Fair Price" in Nation's Business for October. He says: "...Effort to regulate or control prices within recent years, since the beginning of the present period of industry, was frankly based upon the thought that by preserving competition, fairness, or equity as between individuals or groups in the community would also be preserved. How did this notion develop and what is its logical basis? The question of 'fairness' in price long since passed almost into a proverbial position. It has been accepted as axiomatic that a price must be fair or equitable, although seldom if ever has any test of these qualities been afforded. Perhaps the most common test which is unconsciously applied is that of the prevailing or 'market' rate. This of course is based upon the assumption that there exists what is ordinarily known as a competitive market, so that the real basis upon which fairness is estimated in such cases is that of competition. This concept of fairness assumes that there is something approximating uniformity in prices throughout the 'market' to which reference is made. Another view of the situation is based on the thought that fairness in price is that figure which gives to the producer or supplier of the article a fair return. This must mean a return which in wages or profits or both is about equal to those which are being obtained by the majority of producers in the field. In other words it is the prevailing, or at times the average, rate of remuneration for the outlay of labor and the application of capital to a given purpose. Inasmuch as a return of this kind must evidently be sufficient to keep the producer in the field, this concept of fairness when carried one step further back, means a price which will yield the producer about as much income in the form of wages or interest as he could get in some other occupation....The price question should be entirely separated from the question of the form of industry whether competitive, semi-competitive or monopolistic, and it should be recognized that genuine competition in the true sense of the term is not limited to groups of producers contesting against one another, but is quite as truly to be found in the relationship between the community as a whole and the industry itself, and quite as truly in the relationship prevailing between different industries. When these principles are recognized they will give rise to an entirely different type of legal regulation and one which is susceptible of reasonable application free of the absurdities and injustices which are found in the anti-trust laws of the present moment."

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## Section 3

Department of  
Agriculture

A London dispatch to the press to-day says: "It is reported that the increase in the American cotton crop has raised hopes in Lancashire of improvement in trade, but cotton trade leaders on the Manchester Exchange are adopting a waiting policy pending receipt of further reports. One Manchester correspondent says there is a suspicion the estimate of the United States cotton bureau may have been influenced by wire pulling of interested sections in the raw cotton market and in the cotton-growing belt, but it is agreed that if the estimate proves correct it should lead the cotton trade a long way on the road toward prosperity. Even an increase equal to half that reported would materially strengthen the position of the trade."

## Section 4

## MARKET QUOTATIONS

## Farm Products

Oct. 9: On the Chicago carlot market potatoes northern sacked Round Whites ranged \$2 to \$2.25 per 100 pounds; bringing \$1.90 to \$2.05 f.o.b. New York domestic type mostly \$20 to \$25 bulk per ton in distributing centers; \$10 to \$12 f.o.b. Rochester. Danish type ranged \$4 to \$5 above the domestic type. New York yellow onions \$2 to \$2.50 per 100 pounds, sacked, to eastern jobbers; \$1.90 to \$2 f.o.b. Rochester. Virginia yellow sweet potatoes ranged \$4.50 to \$5.25 per barrel. New York Baldwin apples however, weakened slightly to \$3.75 to \$4.25 per barrel in New York City but held firm in western New York at \$3.75 contract sales for future delivery.

Chicago hog prices closed at \$12.15 for the top bulk of sales \$10.70 to \$12; beef steers choice \$15 to \$16.40; heifers, good and choice \$7.50 to \$12; common and medium \$5 to \$7.50; cows, good and choice, \$5.40 to \$9; vealers, medium to choice \$9.25 to \$13.50; heavy calves, medium to choice, \$5. to \$8.25; stocker and feeder steers, common to choice \$5.75 to \$8.75; fat lambs medium to choice \$14.25 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs medium to choice \$14 to \$15.90.

Grain prices quoted October 9: No.1 dark northern Minneapolis \$1.40 to \$1.68. No.2 red winter St. Louis \$1.77; Kansas City \$1.61. No.2 hard winter St. Louis \$1.55; Kansas City \$1.49 to \$1.61. No.2 mixed corn Chicago 81¢; Kansas City 81¢. No.3 mixed corn Minneapolis 79 1/4¢. No.2 yellow corn Chicago 82 1/2¢; St. Louis 83 1/2¢; Kansas City 82 1/2¢; No.3 yellow corn Chicago 81 1/4¢; Minneapolis 83 1/2¢. No.2 white corn Chicago 81 1/4¢; St. Louis 85¢; Kansas City 82 1/2¢. No.3 white oats Chicago 40¢; Minneapolis 35 3/4¢; St. Louis 40¢; No.2 white oats Kansas City 40 1/2¢.

Closing prices on 92 score butter: New York 50 1/2¢; Chicago 48¢; Philadelphia 51 1/2¢; Boston 50¢.

Middling spot cotton in 10 designated spot markets advanced 30 points, closing at 21.26¢ per lb. New York October future contracts advanced 48 points closing at 21.83¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 9,	Oct. 8,	Oct. 9, 1924
	20 Industrials	147.20	146.75	102.60
	20 R.R. stocks	101.73	101.64	88.48

(Wall St. Jour., Oct. 10.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 10

Section 1

October 12, 1925.

**GRAPE EMBARGO** A Madrid dispatch to the press to-day states that grape growers in the province of Almeria are greatly disappointed at the receipt of a cable message from the Spanish Commerce Attache at Washington, informing them that the American Department of Agriculture refuses to lift the embargo on Almeria grapes. The refusal practically means bankruptcy for the entire province. The Spanish Government has not yet been officially informed by the American State Department of the adverse decision.

**EUROPE'S CROPS** An Amsterdam dispatch to the press to-day states that all estimates of the European harvests continue to indicate a very abundant yield. The estimates most generally accepted there allow for the European wheat crop, excluding Russia, a yield of 350,000,000 quintals of 3 2-3 bushels, against 277,000,000 last year, and a pre-war annual average from 1909 to 1913 of 357,000,000. An abundant sugar beet crop is also expected and that is considered a highly favorable sign.

**"MAKE A FARMER" DINNER** A New York dispatch to-day says: "Representatives of many trades have pledged themselves to attend the 'make a farmer' dinner to be held on behalf of the National Farm School at the Hotel Astor on October 20. Tickets are being sold for \$60 a plate and the proceeds will be used to provide free scholarships for deserving New York boys at the school. Adam L. Gimbel, chairman of the Trades Committee of the New York branch of the school, said yesterday that a real agricultural program will feature the dinner. The principal speakers, he said, will be a representative of the United States Department of Agriculture, Dr. W. E. Taylor of Moline, Ill., owner of thirty-three farms, and Dr. J. J. Taubenhaus, plant pathologist, of Texas."

**PACKERS' CONTAINERS TO BE STANDARDIZED** According to the Institute of American Meat Packers, which issued a statement last night, hundreds of thousands of dollars will be saved by the packing industry in the next ten years through the adoption of a system of standardization of lard cans, crates and export boxes, hand trucks, beef and pork trolleys and sausage and lard cartons. Oscar B. Mayer of Chicago, president of the institute, said that the number of cases and styles of these containers and other articles had been reduced from 805 to 26.

**RUBBER EXPORTS** A Colombo, Ceylon, dispatch to the press of October 12 says: "The proposal by the British Colonial Secretary, L. C. M. Amery, that the maximum exportable rubber be increased during the quarter beginning November by 20 per cent of the standard production, instead of 10 per cent, was approved by a representative meeting at Colombo October 10."



## Section 2

Chicago Board  
of Trade

An editorial in The Northwestern Miller for October 7 says: "Members of the Chicago Board of Trade will soon be called upon to approve what is probably the most comprehensive plan of reform in method ever considered by a commercial organization of similar importance. The changes in rules approved by the directors and recommended for adoption are not mere details of organization and administration, but embody fundamental recognition of the board's trusteeship and of its duty as a servant of the public good. The major change is in the third proposed amendment providing for a commercial conduct committee, and particularly in the few lines defining the duties of the committee, as follows: 'The committee shall be charged with the duty and authority to prevent manipulation of prices as provided in section 5 (d) of the Grain Futures act and shall have general supervision over the business conduct of members, particularly in so far as such conduct affects (1) nonmember customers, (2) the public at large, (3) the State Government, (4) the Federal Government, (5) public opinion, and (6) the good name of the association.' No phrasing could add strength to this definite statement of the complete authority vested in this committee. To it, without restriction, is to be delegated the high duty of purging the Board of Trade -- and, as a corollary, all boards of trade and all option trading -- of the odium which now attaches to it. There is in it no reservation of rule and technicality, but rather the widest latitude, extending even to recognition of public opinion and the good name of the association....Thus,...the Chicago Board of Trade and the whole invaluable system of grain price insurance by trading in future contracts are to be rendered immune to justifiable criticism. No longer will rich adventurers find zest and play for their wits in juggling grain prices at public cost. Within the limits of possibilities, grain speculation will be accommodated to the service of moving crops rather than, as heretofore, to add to the many perils of distribution. It is perhaps too early to give credit....Later, there must be accorded to the intelligent, far-seeing and courageous men who pointed the path of wisdom an unusual measure of praise for the work they have done. In years to come, even those who have been in opposition will recognize the lasting good resulting from the present fine accomplishment."

Cotton Plants  
Merge

The press of October 10 states that a \$12,000,000 merger, involving thirty-five cotton plants in six Southern States, has been effected by a new corporation called the Federal Warehouse and Compress Company, according to word received from Little Rock, Ark., in which State the company has been incorporated. Some of the largest compress companies in Arkansas, Tennessee, Louisiana, Missouri, Mississippi and Oklahoma are involved. The purpose was said to be the desire to save overhead cost of supplies and to effect other economies.

Farmer Loans

A New York dispatch to the press of October 10 states that approximately \$5,000,000 will be saved to farmers this year through lower rates of interest on farm loans, according to the American Association of Joint Land Banks. Due to growing popularity of farm security for loans, reflected in a substantial increase in Joint Stock Land Bank business, the interest rate on farm loan bonds has declined one-half of one per cent in the last few months. As a result of this decline, the Joint Stock Land Banks will save an annual interest carrying burden of \$300,000 in their sale this month of \$60,000,000 of 4½ per cent refunding and debt-retiring bonds. This saving, it is asserted, will be passed on to the farmer.



**Federal Reserve Banks** An editorial in The Michigan Farmer for October 3 says: "An interesting remark was made recently by a Canadian business man. He said that industry had not developed in western Canada because the banks refused to support industrial attempts there. The money centers are in eastern Canada, and this man felt that the purposes of the financial institutions were to keep the industries in the East to help prosperity there. Then a southern man spoke up and said: 'You know, we don't realize what the Federal Reserve System means to this country. We had the very same situation as Canada has, until the reserve system was put into effect. For instance, the cotton mills were kept in the New England States when it would have been much more economical to have them near the fields of production. Since the Federal Reserve System has been effective, the mills have been coming to the South.'"

**Florida Land Sale Frauds** An Associated Press dispatch October 10 from New York states that representatives of Florida trade, newspapers and commerce met Friday in New York at a luncheon given in honor of Governor Martin to discuss ways and means of cooperating in curbing fraudulent misrepresentation concerning Florida land and securities. T. Coleman du Pont suggested that Florida use her laws to make national examples of four flagrant cases. This, with the attendant publicity in Northern States that would be sure to follow, he said, would effectively check false advertising and fraudulent statements by "fly-by-night" operators. The Governor discounted attacks made on Florida and said that the State to-day offered more advantages than any other Commonwealth in the Nation, not excepting California, which, he said, "was further from New York and the center of population of the United States than was Florida."

**Foreign Trade** An editorial in The Wall Street Journal for October 10 says: "Foreign trade of the United States in the current year will amount to more than nine billion dollars. This prediction was made by James A. Farrell in an address before the National Foreign Trade Council. The figures may be taken as an index of the economic progress of the world, and also the growing importance of the United States as a creditor nation. The trade of the world as shown by Mr. Farrell in his address was six per cent larger in the year ending June 30, 1925, than it was in the preceding year. Going back to the averages before the war, he showed that the total foreign trade of the world was now 26 per cent greater than in 1913. Some of the war-torn countries have not yet recovered, Great Britain's trade, for example being 5 per cent below 1913, and Germany's about 50 per cent. But the trade of France had increased 25 per cent and that of the United States 30 per cent. District progress is shown in the world's recovery. In the past fiscal year, our total foreign trade was 7.4 per cent greater than the year before. The total was \$8,689,000,000, of which \$4,800,000,000 was exports. The official returns for the past eight months of this year show a total of \$5,813,000,000. As our exports in the last half of the year are always larger than in the first half, and Europe is now buying cotton faster than a year ago Mr. Farrell's prediction is based on solid facts. The trend shows that of our total foreign trade of \$9,000,000,000 about \$5,000,000,000 will be exports and \$4,000,000,000 imports. In the past four fiscal years our merchandise exports were over \$16,904,000,000, and imports \$13,767,000,000, making an import balance of \$3,137,000,000. This was reduced \$940,000,000 by shipments of gold and silver, but in the current year another billion dollars will be added to this export balance, and it is a fair inference that trade will keep on in the same course for some time yet to come."

The first part of the report deals with the general situation of the country. It is a very interesting and informative study of the country's development. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the study of the country's development.

The second part of the report deals with the economic situation of the country. It is a very interesting and informative study of the country's economic development. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the study of the country's economic development.

The third part of the report deals with the social situation of the country. It is a very interesting and informative study of the country's social development. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the study of the country's social development.

The fourth part of the report deals with the political situation of the country. It is a very interesting and informative study of the country's political development. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the study of the country's political development.

While this balance is being rolled up it must be remembered also that the United States is already a world creditor to something over \$20,000,000,-000. Mr. Farrell says the long accumulations of British capital in foreign investment have been the greatest sustaining force of the United Kingdom. These great investments of the United States, constantly added to by the foreign trade balance, should be a sustaining power to the United States, which in spite of itself is destined to become a great creditor nation."

**Rail Transportation** The editor of Nation's Business writes in the October issue: "'Do the railroads get a fair deal?' 'I don't know--I really doubt it. But do they deserve one?' This isn't part of a smoking-room, time-killing conversation. It took place in a busy office among business men of the very earnest type. The subject under discussion was a statement made some weeks previously by Charles S. Keith, ex-president of the Southern Pine Association, and the head of large lumber manufacturing interests in the South and on the Pacific Coast. He said that much of the credit for the prosperity of this country in the last three years was due to the great improvement in railway freight operation since 1920. What Mr. Keith told seemed almost unbelievable. How could the railways have accomplished so great a revolution and have kept it from the general public? Why the shrinking violet attitude in the face of a great achievement? 'About that I don't know,' said Mr. Keith. 'What I do know is how great the help has been to the lumber industry, in which I happen to be engaged. Three years ago it required forty or fifty days to move a car of lumber from the mill to the consumer point. To-day it is done in an average of fifteen days. The saving in stock carrying charges to the lumber industry is between 30 and 40 million dollars annually. That's only one industry out of many.' Nor is Mr. Keith alone in his opinion."

**Russia** The Magazine of Wall Street for October 10 says: "Russia is reviving. Both farm and industrial production are making great strides. There is little doubt that 1926 will see that giant empire back to pretty much its pre-war level. What is much more important for us is that the United States is doing almost one-third of Russia's foreign trade. This is a far greater percentage than we enjoyed before the war. Even in dollars and cents we are doing as much business with Russia as we did in 1913. When Russia's total trade reaches the pre-war level and if we keep the same proportion of the business that we now have, our trade with her ought to reach 600 millions a year. Such a growth would mean that Russia would displace Germany as our second best customer. Whether such levels are reached or not, it remains true that with our surplus production capacity in so many lines we can not afford to overlook the possibilities of so great a market."

**South's Advance** Manufacturers Record for October 8 says: "President J. S. Wannamaker of the American Cotton Association, in a letter to the Manufacturers Record, suggests that not only Florida but the whole Atlantic Coast of the South is soon to share in Florida's prosperity. We will extend the suggestion and say that not only the South Atlantic Coast, but the Gulf Coast on out to the limit of Texas will also share in this prosperity, and not only will it be the Atlantic and Gulf coasts, but all parts of the South. The movement is under way; it is Nation-wide. It will bring about an increase of wealth and prosperity such as the South has never before had. In his letter on the subject President Wannamaker said: 'A big business man has made the following statement:



"There are 70,000,000 people in America to whom Florida is accessible as a playground and for homes; they are making purchases there for this purpose. It is largely the result of the work of Mr. Edmonds that their attention was attracted to Florida. This is not a boom--it is permanent and will spread to all sections of the South. Watch lands on the Carolina coast, old Colonial homes and fertile farming lands. Prices at which they are being sold to-day will be regarded as a tremendous sacrifice in a few years. In other words people who are selling to-day will realize they swapped their birthright for a mess of pottage. The many advantages offered in the South for homes and investments are being realized to-day as never before. Mr. Edmonds was the pioneer in this movement." Only recently a plantation on the coast of Carolina which sold for \$17,000 on the highest inflated values we had on real estate in 1918 was sold for \$100,000, and this is only one of the many recent deals. In my judgment this marks a permanent change in the South, which is destined to become the most densely populated section of any part of the Nation....."

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Section 3

Department of Agriculture      A London dispatch to the press to-day says: "The Lancashire cotton trade has been greatly excited by the unexpected increase in the American Bureau's sweeping increase of its estimate of the cotton crop's probable outturn. It is felt, however, that a large American crop will considerably stimulate the textile industry by bringing about cheaper cotton. Some fear is expressed that the latest estimates are too good to be true, even though private estimates have been improving for some time."

2      An editorial in The Washington Post to-day says: "Cotton prices have broken again as a result of the consolidated report of the Department of Agriculture and the Census Bureau, which indicates a crop of 14,759,000 equivalent 500-pound bales, or 828,000 bales in excess of the estimated production only a fortnight ago. Following that report, which indicated a very largely increased production over the previous report, the staple dropped from \$6 to \$7 a bale. The result was a nervous reaction in the market and a rush to sell. There has always been more or less criticism of the Government's cotton reports, but probably never so marked as this year, when from a rather pessimistic forecast early in the season the figures grew until they reached an indicated production of 1,131,064 bales in excess of the crop last year. The cotton market is extremely sensitive to the Government reports. An apparently stable market will break or advance in an instant upon the publication of the Government's figures. When the first report was issued this fall it indicated only an average crop, and the market responded accordingly. Since then the reports have shown a steadily improving condition and the price of cotton has been declining. If the Government wants to be of service to the cotton growers of the country it should revise its system of reporting. Mere guesses serve to encourage speculation. This year the reports have shown such enormous changes in the estimates that there has been continually increasing criticism of the Department of Agriculture. It would be better if the Government were to withhold its reports until it has sufficiently reliable information upon which to base an estimate that will stand up. The present system is an aid only to the speculators. and is of no practical benefit to the growers. The Department of Agriculture was created to help the farmers, not the bears and bulls of Wall Street."

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# Section 4

## MARKET QUOTATIONS

**Farm Products:** For the week ended October 10: New York and Pennsylvania sacked Round Whites ranged \$2.25 to \$2.50 per 100 pounds in eastern city markets and \$2.25 to \$2.35 f.o.b. Rochester. Cabbage about steady. New York domestic type cabbage ranged \$18 to \$25 bulk per ton in leading markets and \$9 to \$11 f.o.b. New York Northwestern Greening apples as well as Wealthys and Kings held within a range of \$4 to \$4.50 per barrel in New York City. Virginia yellow sweet potatoes ranged \$4.50 to \$5 per barrel in eastern cities.

Top price of hogs at Chicago to-day was 90¢ lower than a week ago standing at \$12, while the bulk of sales ranging from \$10.50 to \$11.75 were 50¢ to 85¢ lower. Compared with a week ago fed steers are unevenly but sharply lower; inbetween grades largely 50¢ to \$1 off; kinds of value to sell at \$14 upward in a specialty class; stockers and feeders steady; top weighty steers sold at \$16.35 equalling the season's high point. One load of prime yearlings at \$16.25 set a new high mark for the year in this class of cattle. Fat lambs fully steady after Monday's lower market when receipts were the largest since October 15, 1923. Chicago top hog price for to-day was \$12.00. Bulk of sales \$10.50 to \$11.75. Week's bulk of sales prices follows: Grain fed steers \$10 to \$12.50; grass steers \$7.25 to \$9.25. Fat cows \$4.25 to \$6.50; heifers \$5.75 to \$7.25; veal calves \$13 to \$13.50; stockers and feeders \$6 to \$8. Sheep bulk of sales prices for the week are: Fat lambs \$15 to \$16; feeders \$14.75 to \$15.75; cull natives \$11.50 to \$12; fat ewes \$6.50 to \$8. Fresh meats (Western dressed) New York prices good grade for October 10: Steer beef \$18 to \$21; veal \$18 to \$20; lamb \$26 to \$28; mutton \$15 to \$16; light pork loins \$29 to \$31; heavy pork loins \$20 to \$24.

Wheat market up about nine cents for week. Foreign markets continue weak but light receipts and an active demand for cash wheat have strengthened the United States markets. Corn lower as crop prospects show further improvement and first receipts of new corn indicate early movement of crop. Oats steady with demand active at the relatively low prices.

Butter markets have failed to maintain firmness of past month and general weakness developed during the week. Foreign markets firm and higher. Closing wholesale prices on 92 score butter: New York 51¢; Chicago 48¢; Philadelphia 51 1/2¢; Boston 51¢.

Cheese markets steady. Fractional price changes occurred on Wisconsin Cheese Boards which met at the close of the week, but these were irregular. Wholesale prices on Wisconsin primary markets October 9: Twins 23 1/4¢; Single Daisies 23 3/4¢; Longhorns 23 3/4¢; Square Prints 25¢.

Average price of Middling spot cotton in 10 designated spot markets declined 152 points during the week, closing at 20.89¢ per lb. New York October future contracts declined 135 points, closing at 21.40¢.

Hay market practically unchanged with receipts generally equal to buyer's needs. Alfalfa steady to firm. No. 1 timothy Boston \$26.50; New York \$28.50; Pittsburgh \$26.50; Cincinnati \$25; Chicago \$27; St. Louis \$26.50; Kansas City \$18.50; Memphis \$26. No. 1 alfalfa - Kansas City \$20.50; Omaha \$18.50; Memphis \$28. No. 1 prairie - Kansas City \$14; Omaha \$14; Chicago \$18; St. Louis \$17.50; Minneapolis \$16.

Feed markets continue weak and depressed. Oil meals easier as result of lack of export demand and heavy production. (Prepared by Bu. Agr. Econ)

Industrials and Railroads	Average closing price		
	Oct. 10,	Oct. 9,	Oct. 10, 1924
	20 Industrials	147.43	147.20
	20 R.R. stocks	101.66	101.73
			87.66

(Wall St. Jour., Oct. 12.)



# DAILY DIGEST

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Vol. XIX, No. 11

Section 1

October 13, 1925

## RUBBER EXPORT

A London dispatch to the press to-day says: "The British Colonial Office stated yesterday that there was no ground for the suggestion contained in a news dispatch from Colombo, Ceylon, on Saturday that the maximum exportable rubber be increased during the quarter beginning November by 20 per cent of the standard production, instead of 10 per cent."

## WOOL BODY TO EXPAND

A Portland, Ore., dispatch to the press to-day states that the Pacific Cooperative Wool Growers, the largest wool-marketing organization in the United States, is planning to take into its membership Southern California and Arizona wool producers and maintain a warehouse at or near Los Angeles, according to R. A. Ward, general manager, who has returned to Portland from an inspection of warehouse facilities in Southern California. At the association's San Francisco warehouse wools from about 700 growers of Nevada and California are graded and prepared for market.

## SOUTH DAKOTA LAND CREDITS

An editorial in The New York Times of October 12 says: "It may be true, as Senator Norbeck of South Dakota alleges, that the Grand Jury's request for an official investigation of his connection with the Farm Loan scandals in that State has a political motive behind it. There are rumors of rival candidacies for the United States Senatorship and for the Governorship which lend a certain likelihood to this charge. But no one in or out of South Dakota doubts that the scheme to use the credit of the State for the benefit of farmers was carried out with melancholy results. It was attended with inefficiency, favoritism and generally suspected corruption. Of these facts we may be sure, while awaiting proof or disproof of a political conspiracy against Senator Norbeck and others. A careful and competent writer in the last number of The Annalist, Mr. Harger, reviews the history of South Dakota's experience in using public funds to provide farmers with loans at a low rate. The idea was to borrow money cheaply on the credit of the State, and then lend it to farmers at a rate of interest below what the banks demanded. As Mr. Harger writes: 'The dream was a most pleasing one, and appealed to the voters, who hailed it as a dawn of a new day in agricultural finance.' The State was authorized by referendum to set up a Rural Credit Board in order to administer a system of land loans. It was planned to charge enough to cover expenses with a margin for security and even profit. Appraisals of property were to be strict and disinterested; there was to be amortization of loans and so on. This was the theory. How did it work in practice? To date, the Credit Board has issued some 12,000 loans. Of these no less than 4,308 are in default, for a varying number of years, while 465 are under foreclosure as confessedly hopeless. Until the liquidation is complete the losses of the State will not be known. It is having to pay interest on \$47,000,000 worth of bonds, which fact will be apt to impress it upon the South Dakota farmer that he is a taxpayer as well as a borrower from a paternal Government. From the first it was found difficult if not impossible to control the use of the funds supplied by the State. Ostensibly they were intended to improve and extend agriculture. In fact, large amounts were devoted to paying off old debts. Land appraisals were made in a manner scandalously loose. ...."



## Section 2

**British Bread** A London dispatch to the press of October 12 says: "A bread war began in London October 11, when the Association of Bakers decided to fight the Food Council, press, price cutters and carping housewives," following Saturday's victory of the council in forcing the price of bread down from  $9\frac{1}{2}$  pence to 9 pence for a four-pound loaf. It is estimated that the first success of Britain's unofficial Food Council means a saving of \$22,500,000 a year to the public. The London bakers fairly breathed defiance to every one, especially the Food Council, when Lord Bradbury, its chairman, not content with the first reduction, announced that the council would continue to fight until bread was sold for  $8\frac{1}{2}$  pence a loaf--at which price bakers, it is asserted, still would make a fair profit...."

**Canadian Chilled Beef** An editorial in Ontario Farmer for October 10 says: "The Ontario Agricultural Inquiry Committee has recently received from Major Palmer of Vancouver a tentative plan for the establishing of a chilled meat trade between Canada and Great Britain. The plan has also been laid before Premier Baldwin and the British Economic Conference. Press comments upon the proposed plan indicate the necessity for a capital investment of nearly \$10,000,000 in killing and cold storage plants in Canada and in distributing centers in Great Britain, and Government subsidation of the scheme until it can be put on a paying basis. Briefly, the plan comprises the killing of Canadian cattle at various central points in the beef raising districts of this country, shipping the meat to cold storage warehouses at Montreal and at some open winter port on the Atlantic coast, the transportation of the chilled beef across the Atlantic, and the sale of the same in Britain through a hundred or more retail stores which would handle nothing but Canadian chilled beef and other Canadian produce.... Packers differ in their opinions as to the possibilities of overcoming the British consumer's prejudice and eventually building up a market in Britain for Canadian beef. All are agreed that it is impossible to compete with the Argentine on an equal footing, because of the much lower cost of production in that country, due to year-round pasturage. Some are inclined to believe that the refusal of the British retailer to pay more for the Canadian product would gradually be broken down by competition. That is, if Canadian beef were available continually, and could be sold to the consumer as home-killed, at a considerable advance in price over other imported meat which could be sold only as 'imported', the extra profit to be derived from handling the Canadian meat would gradually bring about a demand among the retailers, with a consequent rise in the wholesale price. In time, also, the consumer would come to learn that he was buying Canadian beef and that it was just as good in quality as the home product, and gradually would come to demand it. In the meantime, however, the Canadian shipper would be losing money on every pound of meat shipped, and no private company is prepared to stand the gaff sufficiently to put the proposition over. In fact it is impossible to estimate just how long it would take to break down the prevailing conditions and educate the consumer to the difference between Canadian and Argentine chilled beef."

**Cooperative Marketing** The Congressional Digest devotes its entire October issue to the subject of cooperative marketing. Cooperative marketing at home is represented by Lloyd S. Tenny's review of the Department of Agriculture's findings on the subject. The cooperative movement in foreign countries is outlined by Huston Thompson, of the Federal Trade Commission. The editor's digest of "Cooperative Marketing and the Government" comprises a

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review of Federal agencies which assist cooperative marketing associations; some account of the service to cooperative marketing of the Bureau of Agricultural Economics; President Coolidge's outline of an agricultural policy; Secretary Jardine's view of the farmer's problems; Secretary Hoover's analysis of waste in marketing; a review of the President's agricultural conference and congressional action upon it, with a compilation of congressional and outside discussion of cooperative marketing legislation.

#### Crops

An editorial in The Wall Street Journal for October 12 says: "Uncertainty as to the outcome of the crop is nearing an end. The official reports giving conditions up to the first of October are extremely satisfactory and show production well distributed. The result of these crops will be a considerable increase in the rural purchasing power of the different agricultural sections of the country. The cotton crop is not yet out of danger, but it is a safe assumption that the money value will equal that of last year, estimated at \$1,500,000,000. As was the case last year, nature has made a good distribution. Some localities that in the past have not had good crops will enjoy a large return this year. This and the preceding crop together should make a total of about three billion dollars spread over the South in two years from cotton alone. Compared with last year, the wheat crop is not large, but domestic needs are met, and the cash return will be close to a billion dollars. Again nature has been equitable in the distribution. In the Northwest, which until last year had a series of small crops, the yield now is large, being practically the same as last year, and about 18 per cent above the five-year average. Corn at almost three billion bushels approximates the five-year average. Last year the crop was a near failure, but this season the States that suffered most have fine crops. Corn comes to the market largely in the form of animal products, and the two chief consumers of corn--cattle and hogs--now command a price about 20 per cent above that of a year ago. The corn belt, therefore, which has been lagging behind the others, now is assured of a large cash income. Over the whole list of agricultural products, even those that are raised in the East, there is an improved outlook. There are no bumper yields of any crop. No record is made in any branch of production, but the crops are fairly large and they will bring a fair price. Gradually the farmers are working out of their difficulties caused by the postwar deflation. The purchasing power of the farm dollar in August was estimated at 93 cents. Probably recent declines in wheat and cotton will bring it down to 90, but even this is a great improvement over 69 cents in 1921. The agricultural community is now entering upon its second year of more than average farm income. The great increase of last year was a stimulant to business, and the harvest of 1925 should add considerable to the economic well-being of the rural sections, and therefore be of benefit to the whole country. No business boom can be built upon the 1925 harvest, but it gives to business a stimulant that is sure and healthful."

#### Fertilizers

An editorial in The American Fertilizer for October 3 says: "A number of farmers in Cornwall, England, are fighting to maintain the rights they possess under a royal charter granted 664 years ago, giving them the privilege of taking sand from the sea shore for fertilizing purposes without fee or payment. It is alleged by captious folks that some modern fertilizer manufacturers have an undue regard for sand as a fertilizer material. But these English farmers, who have used sand as a



fertilizer for 664 years, still want it. Now is the time to begin a research on the properties and functions of sand in commercial fertilizers. Perhaps it will be shown that the much-abused 'filler' serves a useful purpose. In that event what will the critics talk about?"

**Manufacturing and Farming** An editorial in Pacific Rural Press for September 26 says: "In California the farmer's big need is more manufacturing--more consumers. In New England the problem is reversed. New England came to this realization rather slowly. Manufacturing was its big industry, and it knew it. Farming was little business, and the manufacturer was principally interested in picking up an abandoned farm with a good Colonial house and a lot of fine trees and a view where he could take his family in the summer time. But the war shot food prices up to a level which caused manufacturers to pause. Much of the food was being shipped in, and freight rates were high. They had occasion to know this in other ways, for the Middle West manufacturer was underselling them with manufactured things in the corn belt and the wheat belt areas. How could this be helped? Thinking it over, a lot of keen men came to the conclusion that greater home production of food must be stimulated. If New England could produce its own food, and save the freight, it might accomplish cheaper food and a saving in living costs would be equivalent to a wage increase to their workers. One commercial group went so far as to hire a farmer to boost food production, and bankers were asked to be liberal with farmers. Heretofore, a farmer had very little standing in a bank. He was piddling business beside the great roaring plant where money was counted by thousands and perhaps a millions. Most banks did not understand farmers, or farming, and would not be bothered with his little loans and his small hopes and aspirations. But on second thought it was found that the farmer was mighty important, and to-day New England is giving more intelligent attention to agriculture than has been the case since the big trek to Iowa. Some day in the future, California may go through this very cycle, but just now more manufacturers is the need, and the ideal program is a balanced one where soil production and factory production march abreast."

**Roads** William A. McGarry is the author of an extensive article entitled "Remedies for Our Defective Highway System" in The Magazine of Wall Street for October 10. He says in part: "It may come as a surprise to many investors to learn that the automotive industry represents a 'profit' to the United States Government--after all expenses of the vast Federal Aid Road building program are taken into consideration--of more than half a billion dollars for the fiscal years 1917 to 1925. This sum has been available for the other costs of Government, over and above road-building allotments, from the excise taxes collected during that period on motor cars, trucks and parts under a system of special taxation authorized during the war as an emergency measure and generally regarded as 'luxury taxes.' To be specific, the Government has collected a total of \$799,365,399 since the motor taxes were established. In the same period it has paid out to all the forty-eight States participating in the Federal Aid program \$285,268,939 in a schedule of payments that increased during the earlier years of the program but is now more or less fixed at \$75,000,000 a year. During the period of these payments, the total expenditures on the Federal Aid system alone to January 31, 1925, have been \$661,257,247, which leaves to the credit of the Government a balance of \$534,116,460. This sum is enough to pay half the total annual highway expenditures of a billion dollars a year put out by all political divisions.



or to increase the annual construction mileage by fifty per cent. These figures, it should be noted, do not take into consideration projects approved by the Government and the various States and now under construction on the Federal Aid system. The total cost of such projects has been calculated at \$391,163,750.23. Toward this expenditure the Government will contribute \$173,503,011.83, but not all of this sum will be expended during the current year. Roughly speaking, the program calling for an annual expenditure of \$75,000,000 a year by the Government represents about 47% of the collections each year from excise taxes. Investment and tax experts who have been concerned in recent years with the growing problems of assuring room enough on the highways for the mounting output of motor cars and trucks are now turning their attention to these items of Federal tax. A demand is beginning to develop, not for use of all the automotive tax receipts on the building of highways, but for the reduction or complete abandonment of many of these excise taxes. This had its start among farm organizations and at first was directed mainly at the taxes on automotive repair parts....The motive of this movement is not by any means a criticism of the Federal highway officials, who are credited with co-ordinating the road system of the country and with launching the campaign for the adoption of standardized methods. The Government requirement that maintenance of roads shall meet a fixed and high standard has had much to do with the discovery that this is just as important as building new roads. Efforts to bring about a reduction of Federal taxes on automobiles and parts are merely in line with the general demand for tax reduction. Though it has been suggested that the Government should drop out of highway work; yet, its influence is regarded as essential to keep the highway system co-ordinated nationally, and to continue the great social achievement of breaking down sectional lines. Nevertheless, it is now recognized that the brunt of the highway burden must be handled through the States in the future. It is estimated that it will require ten years for the completion of the Federal system, and by that time, at the present rate of progress in road construction, it is not believed there will be any necessity for further expansion of Government aid. It is also recognized that if the necessary support is to be obtained for the work that must be done, methods must be worked out which will make possible a clear picture of the needs, costs and importance of motor transportation; a picture which may be grasped easily by the man in the street."

Truck and Rail Transportation      An editorial in Successful Farming for October says: "It takes considerable time for a new industry to get established on a sound basis. When a new product is manufactured, there is no way of telling what the price should be because there is no way of judging the amount of sales. The first cost of production has to be distributed over future years, lest the price be prohibitive. Will the public buy in quantity? Nobody knows until the public responds. Freightage by truck is in that transitory stage now. Anybody with an idle car can get in the game. There are no responsibilities, no schedules to observe, no depots to maintain. True, there are well-established motor freight systems that approach railroad service in the handling of freight and keeping of schedules but they are menaced by the fly-by-night trucker who underbids for the cream of freightage and has not business judgment enough to base charges on depreciation, upkeep and all that should form the basis of rates. The time will soon come when truck freightage is under the supervision of State transportation commissions for intrastate service and



under the Interstate Commerce Commission for interstate service. They will then pay their just share of upkeep of highways, insure the freight, run on schedule, maintain service throughout the year and be as responsible to shippers as are the railroads. Then the rates will be higher than now because they must be if they continue in business. Then it will be a contest between the truck and the train, with each finding its legitimate place in transportation service. As it is now, a heavy truck or bus can plow through miles of soft dirt or gravel roads when roadbeds are soft and ruin them, making them positively dangerous to users of lighter cars. It falls on taxpayers to put the roads in condition again after each bus or truck has thus abused them or leave them in intolerable condition until the roads harden up. If bus and truck lines owned the roadbed as do the railroads it would be another matter, but they go where they please when they please, and taxpayers make good the damage in order that somebody can ship freight a little cheaper or quicker than by rail. Trucks and busses are here to stay as part of our transportation system but we have not subjected them to as much control as will inevitably come. The whole story is not told when one tells how much cheaper or quicker he can ship by truck than by rail. Some railroad branches are abandoned because of this competition, and many more bus and truck enthusiasts have abandoned their service after the day of upkeep began to consume more than the profits. Overhead has to be reckoned with as surely as death and taxes."

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Section 3  
MARKET QUOTATIONS

Farm Products      Oct. 12: Chicago hog prices closed at \$12.00 for the top; bulk of sales \$10.40 to \$11.70; beef steers choice \$15 to \$16.35; good \$10.25 to \$15.50; medium \$8 to \$10.75; common \$6 to \$8; heifers, good and choice \$7.25 to \$12; common and medium, \$5 to \$7.25; cows, good and choice \$5.25 to \$8.75; common and medium \$3.75 to \$5.25; vealers, medium to choice \$9 to \$12.75; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs, medium to choice, \$14 to \$16; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice, \$4.50 to \$8.25; feeding lambs medium to choice \$14 to \$15.90.

Pennsylvania sacked Round White potatoes \$2.25 to \$2.50 per 100 pounds in Philadelphia and Pittsburgh. Maine sacked Green Mountains \$2.90 in Philadelphia. Northern sacked Round White potatoes \$2.10 to \$2.30 on the Chicago carlot market; \$2 to \$2.10 f.o.b. Pennsylvania Baldwin apples \$4 per barrel in Philadelphia, Virginia Delicious \$6. New York yellow onions ranged \$2 to \$2.65 sacked per 100 pounds in city markets and \$1.90 to \$2.10 f.o.b. Rochester.

No Dairy, Grain or Cotton reports on account of Holiday Columbus Day. (Prepared by Bu. of Agr. Econ.).

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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 12

Section 1

October 14, 1925.

## THE PRESIDENT COMMENTS ON FOREIGN DEBTS

The press to-day says: "The attitude of the administration toward foreign governments which have not refunded their debts to the United States was redefined yesterday. President Coolidge was represented as of the opinion that the economic conditions of debtor nations would be improved at home and the interest rates on private loans made here would be better if obligations were funded. The attitude of the Government toward loans made by bankers in foreign countries, it was pointed out, has not changed since the war. A proposed loan has to be considered on its merits, it was asserted, the general policy being a desire to help rebuild and restore the European countries in all productive ways....."

## SPAIN LIFTS MEAT EMBARGO

A Madrid dispatch to the press to-day states that yesterday's official gazette published a decree authorizing importation of foreign meat on the hoof following the necessary quarantine inspection. It is now expected American and Argentine firms will avail themselves of the new market.

## CAREY ON GRAIN EXCHANGE REG- ULATION

A Kansas City dispatch to the press to-day says: "American grain exchanges have earned public favor, said Frank L. Carey, president of the Chicago Board of Trade, yesterday before the convention of the Grain Dealers' National Association, and if there is 'no intermingling of politics and economics, the whole problem of grain marketing is solved.' Reviewing the sensational fluctuation in grain futures early this year and the causes leading up to it, Mr. Carey stated that 'given a year of political freedom' the value of changes recently made in the regulation of the Chicago Board of Trade would be demonstrated beyond doubt. 'Every member was keenly aware of the desirability of supplementing our present rules with provisions which would obviate future disturbances. To-day the exchange has met the criticism from the outside,' Mr. Carey said. 'The changes have come from within and are vital and far-reaching. There is no condition prevailing which can fairly be criticized. Now the question should be squarely asked: "Are American grain exchanges to be given the public confidence they have been promised; the support of administrative bureaus which have indorsed the new changes; the help and encouragement of law-making bodies, which they have earned by meeting all criticism?" If we are given such friendly aid from the outside, the whole problem is solved.'"

## WOOL REPORTS ASKED

The Philadelphia Ledger to-day says: "Rising wool values, both at home and abroad, after a long period of quiet and stability, have again brought to the forefront the need of accurate statistics on world supplies and consumption rates. Spinners of yarn and dealers in raw wool are facing their annual guess on the position of the market at the opening of the active buying season without much assurance on the probable outcome...."



## Section 2

## Bread

An editorial in The New York Times for October 11 says: "Bread, according to a recent investigation, supplies one-quarter of the entire motive power for modern human society. That it should have been found to produce a larger number of calories of energizing heat in the human organism for a smaller expense than other staples sets the seal of science upon an almost universal taste. Even at present prices one cent will buy 57 calories in milk and 63 in bacon; but it will buy 120 in ordinary white bread. Bread is more than a staple food; it has become a symbol of life itself. While man can not live by bread alone, neither can he live without it. This almost mystical concern of the human race for bread makes the recent announcement of a \$400,000,000 corporation to consolidate the three largest bread-making concerns already in existence one of impelling national interest....The incorporation of bread has come about just as the incorporation of steel or shoes or oil--except that it has come later and with prodigious speed....And now bread takes its place as one of the country's great corporate industries. Critics of the proposed merger assert that the public has reaped no economic benefit from the savings of machine production while stockholders have grown rich. They say that bread prices have not been reduced in proportion and point to the admittedly large profits which the companies have made. Prices, they say, could be cut in half and still allow for a reasonable return on the money invested in the industry....The proposed combination, they also claim, will be in a position to dictate the price of bread through the control of from 25 to 50 per cent of the market in the big centers of population. On the other hand, those who have incorporated bread have obviously much to their credit: They have immeasurably improved the technique of production and reduced industrial waste. They have substituted a sanitary, laboratory-checked product for the older menace of the cellar bakeshop. They have introduced order and system in the process of distribution. It may be claimed that the financial reward they have reaped is commensurate with the public service they have performed. Charges of inflated prices, profiteering and a possible monopoly are serious in proportion to the grip which bread has come to hold upon the people. Those who seek to effect this merger and those who oppose it have raised an issue of great moment. It can be met with satisfaction only if the basic economic facts of the industry are made known--from the wheat field and the dairy to the kitchen. A thorough investigation by some responsible Government agency is called for."

**Bread and Rice** An editorial in Modern Miller for October 3 says: "A London daily in China devotes a column to the great change developing in the Orient, where the Chinese and Japanese are becoming bread eaters. Rice is giving way to wheat, in the opinion expressed in this article, and the significance of this and future purport is dwelt upon as a most important change of far reaching effect. It is a thought which is speculatively interesting, as indicating a big commercial shift. We quote briefly from the London article: 'After thousands of years spent in wielding the chopsticks, the Chinese and the Japanese are losing their taste for rice and are competing with London for the world's supply of wheat. This sudden switch-over to western diet is already reacting on Empire trade.'...There is, of course, a great deal of important truth in the article, but some of the statements must be modified to conform to the facts. Harry Franck, a most competent observer, in his recent book on China, sees the opposite of this picture. The teeming population of China remains a consumer of rice



and other food, and has in no sense acquired a taste for wheat bread. He sees no prospect of China changing its diet and a few miles back from the coast the masses have never tasted bread, cultivate their own food and show no predilection for wheat. He could see no evidence of wheat bread invasion, and up to this time it is a myth, so far as the interior masses are concerned. But in the coast cities, where there is contact with the Occident, undoubtedly there is a substantial increase in wheat bread consumption, and this will grow. But it will be a slow growth and be confined to certain classes, just as trade develops in Central and South America. China is not going to be made over in a day, and Chinese appetite has not changed with the masses. Along the coast and in the cities, and undoubtedly with the armies, the use of wheat bread will find important extension, but the idea that there is a rapid change in the Chinese masses is not true and the picture thrown on the screen in London is truth perhaps with important modifications."

**Cattle Prices** An editorial in The Journal of Commerce for October 13 says:

"Cattle raisers at last seem to be coming into their own and to be reaching a position where they can share in the general agricultural prosperity which has enabled farmers everywhere to lift the burdens of indebtedness with which bad crop years and bad judgment had saddled them. The complaints from the cattle men have been particularly harassing to the Administration, especially as their distresses have been prolonged and grave and have been impossible to remedy except by slow and painful accommodation of the industry to new postwar conditions. Meanwhile everything that could be done was tried to relieve the situation, including offers of special loan facilities to cattle associations, carrying of 'frozen' paper with the aid of Government funds, etc. This did not prevent heavy losses and the elimination from the field of many cattle men unable to survive the shock of the postwar contraction of markets. At the same time political discontent in the western stock raising States has been fanned to white heat, although it has all along been clear to the dispassionate observer that the cattle industry has been suffering from economic maladjustments that could not be corrected by legislation. At last prosperity impends. Prices of cattle have been rising since early in 1925 and are now far above the level of a year ago, especially for best grades of heavy cattle. Belief that improvement has come to stay for awhile is well grounded, for it rests upon a decisive reduction in the number of beef cattle."

**Calcium Arsenate** An editorial in The American Fertilizer for October 3 says: "The withdrawal of the State of Georgia from the handling of calcium arsenate, after four years' experience, ends a notable experiment of Government in business. The result as a whole was unsatisfactory. The first year's business was carried on smoothly, for a new venture, and met with the approval of the farmers. Since that time the officials have had their share of trouble. The demand for the poison has been uncertain and fluctuating, and manufacturers' prices have varied widely. The officials closed a contract with a western mining company for a five-years' supply of arsenate, which was to be manufactured in Georgia. The mining company was unable to build the factory, the capitalists upon whom they depended being advised that the contract price was too low to be profitable. This move made it hard for dealers to sell arsenate at market prices, and left everybody dissatisfied. No doubt the State officials are glad to be rid of a troublesome job."



Canadian  
Wheat  
Pool

An editorial in Modern Miller for October 10 says: "The Canadian wheat pool is something which is feared by both bulls and bears. The bulls do not know when the wheat pool may decide to dump their holdings, and the bears think a firm policy may in time result in advancing prices. The trade is general do not know how to get a line on the future policy of the Canadian wheat pool. In the meantime the pool scheme is the subject of a lot of rumors. There was talk of the pool being in distress, as a result of the decline, and the possibility of its liquidating. Its guarantee of \$1 per bushel to the farmer taxed the financing possibilities of the promoters, especially when Europe was holding off Canadian purchases. It was one rumor that the pool sold wheat under the market to relieve the situation. Canadian millers apparently don't like the pool and are bringing all kinds of indictments against it, one of which is that the pool sold wheat to American mills at prices below what Canadian mills accumulated supplies, with the result that American mills undersold Canadian mills in Japanese flour trade. American mills are grinding a lot of Canadian wheat in bond, last week 538,000 bushels, against 3,000 the corresponding week last year. But it is also a notable trade fact that Canadian mills flour is paying the duty and selling in eastern markets. This was a development forecast when our wheat premiums got to a maximum above Winnipeg. Recently the differentials have lessened. We are not reciting all of these things about the Canadian wheat pool as facts, but it does show that the pool with its load of wheat is playing a hand which the trade is afraid of. Importers frown on the pool, as an artificial stimulant, The Dominion Government seems to support the idea as a prevention of dumping at harvest time at unprofitable prices to farmers. Playing with such a large amount of wheat, and with no guessing the future decisions of pool marketing, creates a market situation which neither bulls nor bears relish, and as far as we can learn, Canadian millers and foreign importers do not relish."

Cooperative  
Limitations

An editorial in Hoards Dairyman for October 2 says: "Time and much effort are required to bring a clear understanding of any new undertaking. Since the inception of cooperative marketing there have been those who held that when farmers were properly organized, agriculture would be prosperous and prices of farm products could be fixed. It has led many men to go so far as to state that the problem of production has been solved and that the only thing the farmer needs to do is to organize and market his products cooperatively and all the ills of agriculture would be cured. We have never considered this sound advice. In fact, we have looked upon it as being detrimental to the forward movement of cooperative marketing. It is only a matter of time when producers will learn that such counsel is false and if any organization attempt it, that organization would soon destroy itself. Those who have held cooperative marketing is a price fixing proposition have not taken kindly to the criticism we have made of their views and statements. They believed us to be wrong and that cooperation could regulate prices and raise them to such levels as to insure a profitable return for all agricultural products...The existence and success of any cooperative depends on the service that it renders. If it can do its work better than the agency that it replaces, it will live. If not, there is little hope for it to succeed. When we get clearly in mind the essential things to be done to make cooperative marketing a success and the limitations of cooperation, we will be in a better position to go forward with this good movement."



## Corporation

An editorial in Farm and Ranch for October 10 says: "Henry Ford

## Farming

is quoted as saying that the small farms must go, and that in their place must come the power-equipped large farm operated on a factory basis. Theodore Price, of New York, is also of the opinion that small farms will soon become extinct, and advocates farming by corporations. Farm and Ranch does not subscribe to the theory of these gentlemen. Both stand high in their chosen occupation, Mr. Ford as a manufacturer and industrial organizer, and Mr. Price, first as a cotton speculator and in late years a publisher of a financial weekly magazine. Both men are for big business and have big-business ideas. Neither make any provision for the small farmer, except, perhaps, a place as a worker on the large farms they have in mind. Neither take into consideration the temperament and independent spirit of the American farmer, nor give thought to the effect the submerging of the home-owning instinct, so characteristic of the American people, would have on the life of the Nation. Great Britain has found it a good policy to break up the great estates in order to give the common people an opportunity to become homeowners. Mexico's troubles are agrarian to a large degree, while in the United States the Nation has found its greatest strength in rural districts. Instead of robbing the producer of his independence and creating a Nation of serfs, the business interests of the country should cooperate with the farmers to the end that there be more homeowners and a more equitable division of the proceeds coming from their labor."

## Education in

An editorial in American Fruit Grower Magazine for October says:

## Cooperation

"The Department of Rural Education of the National Education Association has adopted a wise policy with reference to the teaching of cooperative marketing. Important facts concerning cooperative marketing will be put into textbooks and taught to the growing children. This will be done both in the city and in the country schools to the end that all persons may develop a sympathetic understanding of cooperative principles. A committee of cooperative authorities is now at work assembling the information which is to be taught to the children. This is a most commendable step, in our opinion. The association is attacking the problem of cooperative marketing at a point where great good can be accomplished in the long run. Cooperative marketing is not a simple proposition. It is quite involved from many standpoints. Not only are there many business features connected with the movement, but it represents an idealism that is a distinctly new thing to many people. The experience of the past few years has shown that it is extremely difficult to build highly successful cooperatives from old timber. The cooperative idea is one which appeals to young minds of progressive tendency. The National Education Association is starting a movement which should in time have a vast influence, and we hope their efforts will be successful."

## Farm Land

## Values

An editorial in The Michigan Farmer for October 10 says: "...Not only is real estate booming in Florida, but it is unduly active in cities in many other parts of the country. Many a farmer who has sold his farm for subdivision purposes may in time have that farm back to cultivate again. Some of our shrewdest economists are warning people of this real estate craze, telling them that the situation is over-ripe and that a sad disquietude may soon develop. One thing is fortunate. Farm lands have not been involved in this boom. They have enjoyed a steady increase but are still sold on the basis of actual value. It is conceded by most all sane students of values that a man's money is much safer in farm lands than in other real estate bought at present prices. A word to the wise is sufficient."



Section 3  
MARKET QUOTATIONS

**Farm Products** Oct. 13: New York and Pennsylvania sacked Round White potatoes mostly \$2.50 to \$2.65 per 100 pounds in leading eastern markets; \$2.25 to \$2.35 f.o.b. Rochester. Maine sacked Green Mountains ranged \$2.85 to \$3.15 in a few cities; bulk stock \$2.25 to \$2.50 f.o.b. Presque Isle. New York Baldwin Northwestern Greenings and Spys sold at \$4 to \$4.50 per barrel in New York City. Virginia Staymans \$5 in Philadelphia. New York Danish type cabbage \$25 to \$27 bulk per ton in New York City, \$18 to \$20 in other city markets, \$14 to \$16 f.o.b. Rochester. Eastern and Mid-western yellow onions mostly at \$2.25 to \$2.50 per 100 pound sack in consuming centers; ranging from \$1.80 to \$2.15 f.o.b. shipping points.

Chicago hog prices closed at \$11.90 for the top; bulk \$10.20 to \$11.60; beef steers choice \$14.75 to \$16.35; good \$10.25 to \$15.25; medium \$8 to \$10.75; common \$6 to \$8; heifers, good and choice \$7.25 to \$12; common and medium \$5 to \$7.25; cows, good and choice \$5.25 to \$8.75; canners and cutters \$3 to \$3.75; vealers, medium to choice \$9 to \$12.75; heavy calves \$5 to \$8.25; stocker and feeder steers, common to choice \$5 to \$8.75; fat lambs \$14 to \$15.75; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$4.50 to \$8.25.

Grain prices quoted October 13: No.1 dark northern Minneapolis \$1.48 to \$1.73. No.2 red winter St. Louis \$1.78 to \$1.81; Kansas City \$1.67. No.2 hard winter Chicago \$1.50 1/2 to \$1.54 1/4; St. Louis \$1.60; Kansas City \$1.60 to \$1.64. No.2 mixed corn Chicago 82¢; Kansas City 83 1/2 to 85¢. No.2 yellow corn Chicago 82 3/4 to 84 1/4¢; St. Louis 85 to 86¢; Kansas City 88¢. No.3 yellow corn Chicago 82 to 83 1/4¢; Minneapolis 82 1/4 to 82 3/4¢. No.3 white corn Chicago 81 1/2 to 82 1/2¢. No.3 white oats Chicago 39 1/4 to 40 3/4¢; St. Louis 40 1/2 to 41¢, Minneapolis 35 1/8 to 35 5/8¢. No.2 white oats Kansas City 40 3/4¢.

Middling spot cotton in 10 designated markets advanced 18 points, closing at 21.07¢ per lb. New York October future contracts advanced 20 points, closing at 21.60¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 13,	Oct. 10,	Oct. 11, 1924
	20 Industrials	147.40	147.43	101.33
	20 R.R. stocks	101.73	101.66	87.65

(Wall St. Jour., Oct. 14.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 13

Section 1

October 15, 1925

**MELLON TO RECOMMEND TAX CUT** Reduction of \$250,000,000 in taxes will be recommended to the House Ways and Means Committee by Secretary Mellon next Monday, it was intimated yesterday afternoon, according to the press to-day.

**IOWA CORN** A Des Moines dispatch to the press to-day states that meetings are being held in Iowa this week to organize farmers to withhold their corn from the market until it can be sold for "cost-plus" prices.

**FIRESTONE TO RAISE RUBBER IN LIBERIA** Harvey S. Firestone, president of the Firestone Tire and Rubber Company, said yesterday that the Firestone Plantations Company, of which he is president, would invest \$100,000,000 in developing its rubber concession in Liberia, and would eventually have 1,000,000 acres of rubber trees growing on what is now bush and jungle. Outlining his plans in an interview at New York yesterday, Mr. Firestone said he had formed twenty planting organizations, and expected eventually to have an output of 250,000 tons of rubber a year, which is more than 50 per cent of the world's present output. At present, America controls 3 per cent of the world's rubber production, the remaining 97 per cent being controlled by British and Dutch capital. "This is the first big movement that America has made to obtain her own rubber," said Mr. Firestone. The rubber manufacturer described how he had sent exploring parties of experts out three years ago to look the world over for vast acreages suitable for rubber growing, after he had been led to the determination to grow his own rubber, because of the British restrictions which kept down the output and kept up the price. Politics, difficult laws, and revolutions kept him out of the Philippines, Mexico and Central America, but his agents reported ideal conditions in Liberia. (Press, Oct. 15.)

**HOOVER DECLARES "DUAL GOVERNMENT" IN PERIL** Warning against the evil of too much Government in Washington Secretary Hoover last night declared that there was a grave question as to whether the Nation's present system of dual government--State and Federal--can survive if the States continue to shift their responsibilities to the Federal Government. Secretary Hoover delivered his attack on "centralized bureaucracy" in an address before the National Association of Railroad and Public Utilities Commissioners, which is holding its thirty seventh annual convention at Washington. In opening his address, Mr. Hoover strongly condemned proposals to substitute Federal control for State or municipal control of electrical public utilities. "Our Government," said Mr. Hoover, "was devised in spirit to sustain a dual purpose--to protect our people among nations by a great national power, and to preserve individual freedom by local self-government. "If we are to stretch the interstate commerce provision in the Constitution to regulate all those things that pass State lines, whether there is a necessity for it or not, we shall automatically absorb to Federal authority most of the Government that lies within State lines, because our economic life has become so enmeshed that there is no longer that easy conception of our forefathers of what constituted interstate commerce...."(Press, Oct. 15.)



## Section 2

**Congo Cotton Seeks Aid** /A Leopoldville, Belgian Congo, dispatch to the press of October 14 states that the cotton crop in the region of the Uele for 1925 totaled 6,750 tons. This will bring native growers close to 6,000,000 francs. Governor De Meulemeester, in a report to the Ministry of Colonies at Brussels, said that if there was further encouragement from the mother country, in the way of expert planters and appropriations for irrigation, the Belgian Congo, within five years, would be in position to furnish half of the raw cotton necessary to supply the spinning and weaving mills of Ghent and other parts of Flanders. These mills now require 40,000 tons yearly.

**Cooperative Experience** An editorial in Hoard's Dairyman for October 2 says: "We believe it is impossible for a farmer to serve as an officer or a director of a local cooperative or as a member of the county farm bureau board or similar organization, even for a short while, without gaining a better understanding of some of the problems in the production and distribution of agricultural products. We believe that if 75 to 80 per cent of the farmers of the United States could be made to serve for one year as officers or directors of some local cooperative or farm organization sponsoring educational work, our foundation for the beginning of a greater and sounder progress would be laid. Let us not, however, lose sight of the fact that already we have in this country a large number of farmers who, by their direct participation in the affairs of local cooperatives and other forms of farm organizations, have gained a better understanding of at least some of the problems to be solved. These men know where some of the weak places are. This great group of farmers forms the balance wheel that holds American agriculture steadily to the task of sound self-improvement. Their names do not get into the daily newspapers very often, but right now they form a most important group in our efforts to improve agriculture."

**Cotton Prices** An editorial in Farm and Ranch for October 10 says: "The Cotton States Protective League, of which Charles B. Metcalfe, of San Angelo, is president, and W. B. Yeary, of Dallas, is secretary-treasurer, is asking farmers to hold their cotton for 30 cents, and appealing to all business interests in the South to cooperate with the producers in securing this price. The Cotton States Protective League goes farther than this and asks the Farm Bureau Cotton Association and the Farm Labor Union to indorse the 30-cent movement, and to agree not to sell a pound of cotton for less than that price. Thirty cents is not an unfair or an exorbitant price for cotton, considering the size of the crop and the rate of consumption. If 25 or 30 per cent of the farmers, backed by the merchants and bankers, would get together on a holding movement, agreeing to reduce acreage next season if this year's crop remained unsold, they would no doubt have an appreciable influence on the market. It might be that cotton would advance to the price demanded. The Farm Bureau Cotton Association, and the Farm Labor Union, selling agencies controlled by farmers, unless they revise their present sales methods, will not join this proposed holding movement. Would enough farmers not connected with these selling agencies be able, even though they wanted to, to hold their cotton for a stated price in face of general selling by all other growers and associations? It is rather late to expect much relief this season, but, of course, not too late to interest producers in the plan for another year. The Cotton States



Protective League sets forth the principle that cost-plus can not be expected when economic conditions do not justify it, but claim that cotton never sells for what it is worth, regardless of the cost of production. Put cotton in the control of the producers and their friends, and then ask a price which the supply and demand, coupled with other economic conditions warrant, is a brief way in setting forth the plan of the league. Just what cotton is worth is a question always in dispute. Cotton produced at a high and extravagant cost, because of poor land and indifferent attention, is worth no more than the same grade of cotton produced at half the cost on the adjoining farm. A scourge of insects in one section of the country should not increase the price of cotton provided some other section produced enough to make up the loss. Therefore, cost-plus seems to be an elusive thing on which no one can put a finger to hold long enough to see what it really is. Many are fond of announcing that 'supply and demand' as an influence on price is a myth. That there is no such animal, but 'supply and demand,' though often denied its proper place in the economics of the country, is always bobbing up to prove that it is still alive and active when not submerged by the gamblers around the exchange rings. From reading the plans and specifications of the Cotton States League, we take it that this new organization intends to restore 'supply and demand' to its proper place by holding cotton for such a price as economic conditions justify without regard to production cost, and thus defeat the gamblers at their own game. It is a laudable objective, but an undertaking that will require much money and the cooperation, not of just a few hundred but of many thousands of earnest producers and of others interested in cotton as a southern industry."

Federal Land      An editorial in The Journal of Commerce for October 13 says:

Banks      "Parties of Congressmen are planning to make a general tour through the country for the purpose of visiting the Federal land banks. Different groups will visit different institutions and they go at the invitation of the latter. Of course it is announced as usual that there is no 'significance' in the visit. As to that the public at large will, of course, be at liberty to make up its own mind. If it be true that there is no significance whatever in this visit there certainly ought to be. The land bank problem remains practically untouched and practically as urgent as it ever was. The fact that there has been only minor trouble with the land banks thus far is not a reason for waiting until actual trouble develops, but is a good reason for making the necessary changes in the constituent act while there is plenty of time. Since the Federal Farm Loan act was passed Congress has taken two steps of major significance in connection with it. It has added the intermediate credit banks to the land banks as a kind of annex, and it has given the land banks and the intermediate credit banks between them an undesirable access to Federal Reserve banks. At the time that these two steps were taken they were greatly deplored by almost everybody concerned....Experience during the past nine years has shown that some important changes need to be made in the Federal Farm Loan act. The tax exemption feature of the bonds issued by these banks was never approved by those who had the welfare of the farm loan system most at heart, and is, of course, entirely out of harmony with the doctrines of the present administration as to bond issue. The relationship between joint stock land banks and Federal farm loan banks ought to be a good deal more carefully defined and certain necessary safeguards provided for the protection of the bonds of both classes of institutions. In addition, and now that the 'agricultural emergency' is



admittedly over, it would be very well if we could do away with the intermediate credit banks and get back to a basis of rationality in connection with farm credit. There is no occasion for the intermediate credit banks and they ought to be disestablished as soon as possible. If, however, the farm loan system as it stands is to be maintained it would seem to be obvious that the most ordinary prudence would cut it off from its present position of favored relationship to the Federal Reserve System."

### Section 3

Department of Agriculture  
1 An editorial in Pennsylvania Farmer for October 10 says: "The latest communication from Secretary of Agriculture Jardine to the Chicago Board of Trade is sufficiently clear and pointed. The Board should be in no uncertainty as to what will happen if it should not continue its purpose and mend its ways and be good....Farmers will heartily approve the stand taken by Secretary Jardine in this matter. Grain growers have for years felt that the Chicago Board of Trade was exercising an influence on the grain market that was entirely separate from the question of supply and demand. Somebody is evidently responsible for the May disturbance, one of the boldest and most disastrous manipulations which has occurred in years. Farmers for years have been demanding that something be done to prevent what they felt were the unfair practices of dealers and speculators, but they have generally been hooted down by politicians and servile newspapers. Finally they got the law which gives the Secretary of Agriculture full power in this matter and they will stand back of an official who has the nerve to act."

2 An editorial in Pennsylvania Farmer for October 10 says: "The recent upward revision of the estimate of the cotton crop and the immediate drop in price caused sharp criticism of the Crop Reporting Board. So severe has been the censure that the board has replied in a circular letter defending itself and its methods. The cause of the criticism was an increase ~~of 100,000 bales over the estimate published on September 1st~~ in the estimate of September 15 over the estimate published on September 1st. Cotton buyers and brokers as well as cotton raisers joined in condemning the Crop Reporting Board. The practice of making long-range forecasts as to crop yields has been under controversy for a long time. The psychological effect of figures which are purely imaginary has an undoubted influence on the market. There are so many factors which may or may not intervene between sowing and reaping that it is absolutely impossible to do more than guess what the harvest will be. It has always seemed to us that the giving of information from time to time as to acreage, crop and weather conditions, the progress of development, etc., is all that is required and all that can be given with any degree of certainty. With these facts at hand every one will be responsible for his own gambling guesses. The explanation usually given that it is done by the Government to prevent private manipulators from spreading false information is not convincing."

3 An editorial in The American Fertilizer for October 3 says: "The stupidity and reckless disregard of facts which usually characterize the Government cotton reports was strikingly illustrated in the latest report. After a dozen or so of private reports agreed unanimously that the crop had deteriorated half a million bales the Government report showed an increase of 200,000 bales. The only excuse the Crop Reporting Board could give for these remarkable figures was that ginning was unexpectedly large that good rains had fallen in various places, and that the reports of some



10,000 agents, scattered over the whole cotton belt, warranted the increased figures. But what weight should these facts have against the opinion of the private reporters and the judgment of half a dozen United States Senators? The patience of the South has often been sorely tried by the Crop Reporting Board, but this is the last straw. A board that reports an increased crop in September is beyond hope."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 14: Pennsylvania sacked Round Whites ranged \$2.50 to \$2.85 per 100 pounds. Maine sacked Green Mountains \$2.85 to \$3.15 in a few city markets and bulk stock \$2.40 to \$2.50 f.o.b. Presque Isle. Virginia yellow sweet potatoes sold at a range of \$4.75 to \$5.50 per barrel in leading distributing centers; \$4.25 to \$4.40 f.o.b. New York and midwestern yellow onions sold at \$2.15 to \$2.75 sacked per 100 pounds in consuming centers; \$1.80 to \$2.15 f.o.b. shipping points. New York Baldwin apples \$4 to \$4.25 per barrel in New York City and mostly \$3.75 f.o.b. Rochester. Northwestern extra fancy Jonathan apples \$2.25 to \$2.90 per box in several cities. New York Danish type cabbage declined \$3 to \$5 per ton in leading eastern consuming centers to a closing range of \$18 to \$25 in bulk.

Chicago hog prices closed at \$11.90 for the top; bulk of sales \$10.30 to \$11.70; beef steers choice \$14.50 to \$16.25; good \$10.25 to \$15; medium \$8 to \$10.75; common \$6 to \$8; heifers, good and choice \$7.25 to \$12; medium and common \$5 to \$7.25; cows, good and choice \$5.50 to \$8.75; canners and cutters \$3 to \$3.75; vealers, medium to choice \$9 to \$12.50; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers common to choice \$5 to \$8.75; fat lambs medium to choice \$13.75 to \$15.50; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs \$14 to \$15.90.

Grain prices quoted October 14; No. 1 dark northern Minneapolis \$1.43 to \$1.70. No. 2 red winter St. Louis \$1.74 to \$1.79; Kansas City \$1.67. No. 3 red winter Chicago \$1.52 1/4. No. 2 hard winter Kansas City \$1.61 to \$1.64. No. 3 hard winter St. Louis \$1.55. No. 2 mixed corn Chicago 83 1/2¢; Kansas City 84 1/2¢. No. 3 mixed corn Minneapolis 76¢. No. 2 yellow corn Chicago 84¢; St. Louis 85¢; Kansas City 89¢. No. 3 yellow corn Chicago 83 1/4¢; Minneapolis 79 1/4¢. No. 2 white corn Chicago 83 1/2¢; St. Louis 87¢; Kansas City 88 1/2¢. No. 3 white oats Chicago 39¢; Minneapolis 35 1/4¢; St. Louis 40 1/2¢; No. 2 white oats Kansas City 40 1/2¢.

Closing prices on 92 score butter: New York 52¢; Chicago 49 1/2¢; Philadelphia 53¢; Boston 51¢.

Middling spot cotton in 10 designated spot markets declined 20 points, closing at 20.87¢ per lb. New York October future contracts declined 19 points, closing at 21.41¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 14,	Oct. 13,	Oct. 14, 1924
	20 Industrials	148.96	147.40	99.18
	20 R.R. stocks	102.14	101.73	86.12

(Wall St. Jour., Oct. 15.)

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Vol. XIX, No. 14

Section 1

October 16, 1925.

**BRITISH WORSTED  
TARIFF** A London dispatch to the press of October 15 says: "Some of the newspapers assert that the Government has granted an application of the British worsted manufacturers to inquire into the situation of the industry with a view to the imposition of a protective duty under the Safeguarding of Industries act, as recently was done in the lace business."

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**FLORIDA CONDITIONS  
TO BE SURVEYED** A New York dispatch to the press to-day states that the National Better Business Commission yesterday announced it will send a special investigating committee to Florida to study the land boom in that State in cooperation with Better Business Bureaus in St. Petersburg and Miami. The inquiry was said to be the result of numerous inquiries concerning land projects in Florida received in more than forty cities.

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**THE BAKERY MERGER** The press to-day states that investigation by examiners of the Federal Trade Commission into the recent activities of several large baking companies said to be bent on the formation of a "bread trust" has failed to disclose facts which warrant immediate action on the part of the commission. The examiners' report filed by Millard F. Hudson, chief examiner, informs the commission that the reports of the merger do not seem to be well founded. It is recommended, however, that "this matter be held open for any further developments in which the companies involved in this matter may be concerned." The commission ordered the investigation October 5 on the report that the General Baking Company, Ward Baking Company, Continental Baking Company and the Southern Baking Company would merge as a \$400,000,000 corporation. (Press, Oct. 16.)

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**GOVERNOR RITCHIE  
ASSAILS STATE  
SUBSIDIES** A Harrisburg, Pa., dispatch to the press to-day says: "Federal subsidies to States were condemned by Governor Ritchie of Maryland in an address October 15 before the Pennsylvania State Chamber of Commerce annual meeting. The system by which Federal appropriations to the States must be matched by the States and the States, in turn, agree to submit to Federal supervision, he declared, tends 'to destroy the principle of local self-government, and so the system is indefensible as a governmental policy of this country.'... 'In actual operation,' he said, 'the system is attended with the grossest inequalities and discriminations among the States and yet the States which suffer most can not withdraw from it, because their people would still be taxed to raise the subsidies which would go to the other States and nothing at all would come back for them. It is one of the most prolific feeders of waste and incompetence in the country to-day, because it is directly responsible for a large part of the bureaucratic Government which has gripped Washington and which has caused the personnel of Federal bureaus to grow 25 per cent since 1914, the year the system began, and five times faster than the population of the country.'"

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## Section 2

Denmark

An editorial in The Farmers' Gazette (Dublin) for October 3 says: "This model farming country, if the secret of its success is ever to be found out, will be found out now. A small country, not much larger than Munster, and sustaining a contented and industrious population of over three million inhabitants, it is surely a loadstone of exploration for other countries who would fain go and do likewise. Yet the foundations on which its prosperity has been built up are not far to seek. In the main, they are based upon equitable land tenure, thorough understanding and good-will between neighboring farm holders, an ideal system of agricultural education for the sons who do not yearn to emigrate but have the simple desire to live by honest work from working on the land; add to these, a natural bent towards cooperation, sprung from the implicit faith which district farmers have in each other, and the high standard of honest dealing in the raising of farm produce that each and all exact, and to which each and all are expected to conform. A delinquent is booked upon as a malefactor. His failure to act straight in his own interests, as well as in those of his own country, earns for him the disgust of his neighbor. He does not care to risk such approbrium, and a drop in the social regard which follows any non-conformity to the known rule is too serious to be left out of count....A country of small-holders with an adverse winter climate, and no very exuberant soil in any part of the island areas, Denmark has managed to take high place as a factory of agricultural commodities which, for their uniform high quality, compare, as market prices show, with similar supplies from any part of the world. The country stands as a great object lesson for ambitions which farmers in this country, better circumstanced in every way, might well cherish. This fact has been overlooked in the past. The best that Denmark holds to teach has years since been put on the table for Irish farmers to profit from."

Florida's Agri-  
cultural  
Produce  
Needs

An editorial in The Florida Times-Union for October 12, says: "Florida presents opportunity for men and women of ability and enterprise. Florida needs manufacturers and builders and farmers and dairymen and those experienced in the raising of poultry and in the hundreds of special activities that go to make up the business of a State. Florida has many splendid farmers and in all of the other industries and occupations there are workers, but the number is not nearly enough. In October Florida is already importing milk in carloads and scarcely makes a pretence of making any butter at all. Florida, where green stuff is available for live-stock the year around, where practically every sort of grain grows quickly and well, is buying chickens and eggs and milk and butter and meat and canned goods from the country at large and loading trains to bring it in. Florida, with the finest climate in the world with the possibility of three to four crops of vegetables a year, is buying carrots and beets and mustard greens and turnips at ten to twenty-five cents a bunch and asking for more all the time. Farming in Florida is different from farming in Maine or Indiana or Louisiana, but it can be learned, and there is plenty of fine land waiting for the plow. The raising of cattle, for meat or for dairy products, is different in Florida from anywhere else, but there is money to be made by the intelligent investor who goes in to do something useful and important. Milk is as high as thirty cents a quart in some parts of Florida to-day--and that sold at the price mentioned has been transported maybe a thousand miles to get to the customer. It is not nearly so high in Jacksonville, but some other sections are less fortunate



Eighteen to twenty cents a quart is asked at retail here--but it may be higher. In Ohio the dairymen--who must carefully house their stock for six or seven months a year and feed only from the highest priced foods, were recently in conference and agreed upon 'an advance to twelve cents a quart' for the winter. In Florida poultry needs a shelter from the rain and in the northern sections it is advisable to have a protection against the west wind, but otherwise the hens enjoy the air and keep right on laying all winter and most of the summer. The demand for poultry, live and dressed, and the call for eggs is persistent and never fully met, and the prices are higher than in some States where the fowls must be given warm quarters and carefully protected during the winter. The price and the demand mean opportunities for men and women to go into the business of raising fowls and eggs for market. Of course there will be some failures, among those who expect too much or try to do what they do not understand without getting advice. But the opening is here for enterprising and aggressive producers."

**Freight Rates** An editorial in Pennsylvania Farmer for October 10 says: "Unless the move on the part of the transcontinental railways for a very decided increase in freight rates is only a countermove to anticipate congressional action to lower present rates it would seem to be most inopportune. Western farmers have presented so definite a demand for a lowering of rates that they will not likely agree to an upward revision. One western farm paper says the confidence of the farmers in the Interstate Commerce Commission has been shaken by the recent remarks of some of the members. It is reported that one of the commission voiced his opinion as follows: 'The talk about the freight rates on farm products being responsible for, or having the slightest effect on the condition of any part of the agricultural industry, is a colossal exhibit of unsoundness and insincerity. We should say that the well-informed know that they have not the slightest effect on the prices the farmer receives for his products. Haul them for nothing and he would not be a bit better off.' We would be glad to learn that the above alleged statement was not made, at least not by a public official who has so responsible a position as arbiter in vital public questions. When a farmer pays out one hundred dollars, or five hundred dollars on a carload of produce, or has that amount deducted from the sales amount, it certainly makes a difference to him if the sum is more than is equitable. It is begging the question to figure the freight bill down to show it is only a few cents on a hundred pounds, or a fraction of a cent on a dozen eggs or a pound of butter. If the farmer's freight bill is an insignificant affair, how would it benefit the railroads to have the ten per cent increase now asked?"

**Grain Crops Abroad** A Chicago dispatch to the press of October 12 says: "Unless the Canadian wheat can be placed abroad on a liberal scale before the new Argentine and Australian crops are available, the price in Canada is likely to suffer severely, as many in the trade see it. In fact, they are decidedly bearish, especially as so far there has been no material change in the Argentine crop outlook and the acreage in that country is a record one. The Australian crop promises to be about 35,000,000 bushels short of last year, and unless rain comes will be even shorter...It is regarded as simply a matter of time, however, before the exporting countries of the world will have to figure very seriously on the competition with Russia, as it was the elimination of that country as an exporter that was largely responsible for the vast expansion in the wheat acreage in

1. The first part of the report is a general statement of the purpose and scope of the study.

2. The second part of the report is a detailed description of the methods used in the study. This includes a description of the subjects, the materials, and the procedures used. It also includes a description of the data collection and analysis methods.

3. The third part of the report is a discussion of the results of the study. This includes a description of the findings and a discussion of their implications.

4. The fourth part of the report is a conclusion. This includes a summary of the findings and a statement of the overall conclusions of the study.

5. The fifth part of the report is a list of references. This includes a list of all the sources used in the study.

6. The sixth part of the report is an appendix. This includes any additional information that is relevant to the study.

7. The seventh part of the report is a glossary. This includes a list of all the terms used in the study and their definitions.

8. The eighth part of the report is a bibliography. This includes a list of all the sources used in the study.

9. The ninth part of the report is a list of figures. This includes a list of all the figures used in the study.

10. The tenth part of the report is a list of tables. This includes a list of all the tables used in the study.

11. The eleventh part of the report is a list of appendices. This includes a list of all the appendices used in the study.

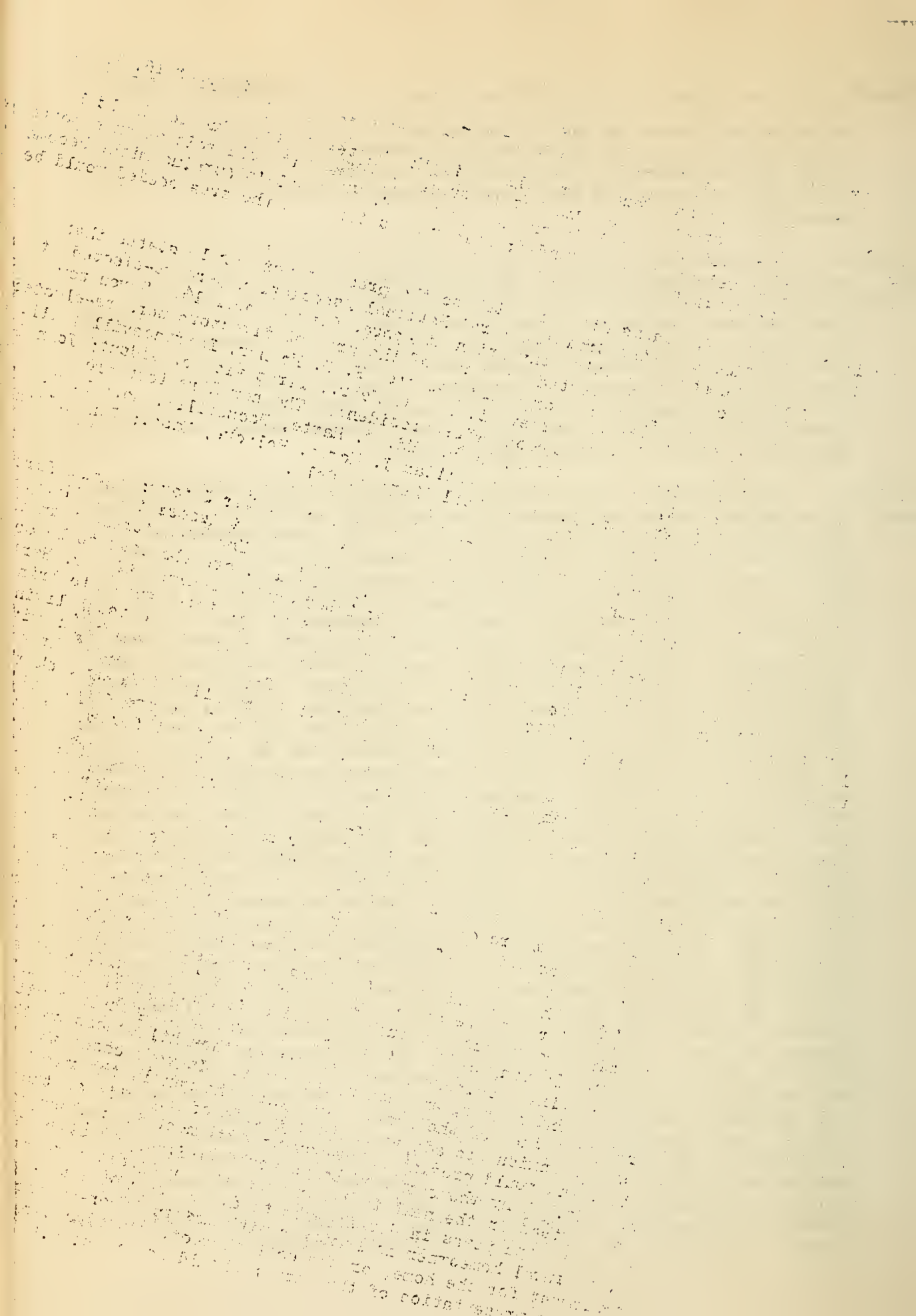
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13. The thirteenth part of the report is a list of figures. This includes a list of all the figures used in the study.

Argentina and Canada as well as in the United States, due to the high prices created. Should Russia suddenly resume its old role as an exporter of 150,000,000 bushels or more per year, the world's surplus might become extremely burdensome and drastic readjustment in the area seeded would be necessary."

**Grain Dealers** A Kansas City dispatch to the press of October 15 states that National officers of the Grain Dealers' National Association were re-elected at Association the association's convention at Kansas City October 14. Seven new directors were elected and nine of the present directors were re-elected. The officers of the organization are: F. G. Horner, Lawrenceville, Ill., president; C. D. Sturtevant, Omaha, Nebr., first vice president; John S. Green, Louisville, second vice president. The new directors are R. J. Stephens, Spokane, Wash.; Ed. S. Harte, Booneville, Mo.; L. E. Marshall, Lansing, Mich.; William I. Morse, Holyoke, Mass.; Dan M. Johnson, Essex, Vt., and L. H. Cornell, Denver, Colo.

**Labor-Saving Equipment** An editorial in Farm and Ranch for October 3 says: "Bruce Barton, in an address before the National Electric Light Association, discussed the question: 'How Long Should a Wife Live?' The idea foremost in the mind of the speaker was that wives, as a rule, are the last to be considered when it comes to providing labor-saving equipment. Mr. Barton went back into pioneer days when it took two or three wives to bring up one family. The men were hardy and could withstand the rough living conditions. The women died young. The average was about eighteen wives for every ten men. It has been said that you can measure the height of any civilization by the plane upon which its women live. Going back through the history of this country and we see considerable progress, and the extent of our progress is measured by the standard set for the wives in the way of relieving them of a part of their burdens from day to day. Formerly, and it is the same to-day in a lesser degree in our rural districts, improvements in the way of labor-saving equipment were for the men first. New farm machinery on which the farmer can ride comes before the kitchen sink. Running water to the barn and stock pen before it is piped to the house. Sanitary stables before sanitation for the home, and so on down the list of modern equipment, man has first thought of himself, and too often has forgotten his wife altogether. There are thousands of farm homes in the Southwest that could be supplied with running water, a kitchen sink, a bath tub, and other sanitary conveniences at less than the cost of a new binder. There are thousands of homes that could be given a modern lighting system without much sacrifice on the part of the husband and father. In many cases the neglect to provide household sanitation and labor-saving machinery is the result of thoughtlessness on the part of the husband and father, and not selfishness. In most cases the husband has an erroneous idea of the cost. Certainly the man in the rural district is just as anxious to add years to the life of his wife as the man in the city, and would provide labor-saving equipment if he thought he could afford it. Many thousands of homes would be equipped with water and lighting systems in the next twelve months if the owners were properly approached and plans in detail submitted. It should not be assumed that every rural homeowner is familiar with modern labor-saving and sanitary equipment for the home, or the cost thereof. An educational campaign and a proper presentation of the matter should get results."



Lowden on the Government O. Lowden, former Governor of Illinois, declared that America's governmental machinery was hopelessly out of date, in an address October 14 to a class in citizenship at the University of Chicago. The Government is 'moribund with bureaucracy, enmeshed helplessly in its own twining of red tape,' he said. 'Taxation's growing burden has been the only stimulus that has awakened our people into the fearful knowledge that democratic government, as America is practicing it, is a failure at the moment. In the last few years all pretense of keeping up the departmental form of organization of the Federal Government has been abandoned. There are now something more than forty independent establishments of Government answerable only to the President. It is obvious that the President can have no knowledge of much less exercise supervision over these independent agencies of Government. There should not be a single function pertaining to administration which does not come directly under some Cabinet official.' Mr. Lowden said that the 'ten departments' in Washington are so only in name. 'There are many times ten independent and practically unrelated agencies of Government there,' he continued. 'No department under these circumstances can avoid becoming rigid and lawbound, "Red tape" necessarily becomes the rule. Our Cabinet officers have been regarded too much as mere advisers to the President, and not enough as responsible heads of important departments.'

### Section 3

#### MARKET QUOTATIONS

Farm Products Oct. 14: Pennsylvania sacked Round Whites ranged \$2.50 to \$2.65 per 100 pounds. Maine sacked Green Mountains \$2.85 to \$3.15 in a few city markets and bulk stock \$2.40 to \$2.50 f.o.b. Presque Isle. Virginia yellow sweet potatoes sold at a range of \$4.75 to \$5.50 per barrel in leading distributing centers; \$4.25 to \$4.40 f.o.b. New York and mid-western yellow onions sold at \$2.15 to \$2.75 sacked per 100 pounds in consuming centers; \$1.80 to \$2.15 f.o.b. shipping points. New York Baldwin apples \$4 to \$4.25 per barrel in New York City and mostly \$3.75 f.o.b. Rochester. New York Danish type cabbage declined \$3 to \$5 per ton in leading eastern consuming centers to a closing range of \$18 to \$25 in bulk.

Chicago hog prices closed at \$11.90 for the top; bulk \$10.30 to \$11.70; beef steers choice \$14.50 to \$16.25; good \$10.25 to \$15; medium \$8 to \$10.75; common \$6 to \$8; heifers, good and choice \$7.25 to \$12; cows, good and choice \$5.50 to \$8.75; medium and common \$3.75 to \$5.50; canners and cutters \$3 to \$3.75; vealers, medium to choice \$9 to \$12.50; heavy calves, medium to choice \$5 to \$8.25; stocker and feeder steers common to choice \$5 to \$8.75; fat lambs medium to choice \$13.75 to \$15.50; yearling wethers, medium to choice \$10 to \$13; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs \$14 to \$15.90.

Grain prices quoted October 14: No. 1 dark northern Minneapolis \$1.43 to \$1.70. No. 2 red winter St. Louis \$1.74 to \$1.79; Kansas City \$1.67. No. 3 red winter Chicago \$1.52 1/4. No. 2 hard winter Kansas City \$1.61 to \$1.64; No. 3 hard winter St. Louis \$1.55. No. 2 mixed corn Chicago 83 1/2¢; Kansas City 84 1/2¢; No. 3 mixed corn Minneapolis 76¢. No. 2 yellow corn Chicago 84¢; St. Louis 85¢; Kansas City 89¢. No. 3 yellow corn Chicago 83 1/4¢; Minneapolis 79 1/4¢. No. 2 white corn Chicago 83 1/2¢; St. Louis 87¢; Kansas City 88 1/2¢. No. 3 white oats Chicago 39¢; Minneapolis 35 1/4¢; St. Louis 40 1/2¢; No. 2 white oats Kansas City 40 1/2¢.

Middling spot cotton in 10 designated spot market declined 20 points, closing at 20.87¢ per lb. New York October future contracts declined 19 points, closing at 21.41¢. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 15

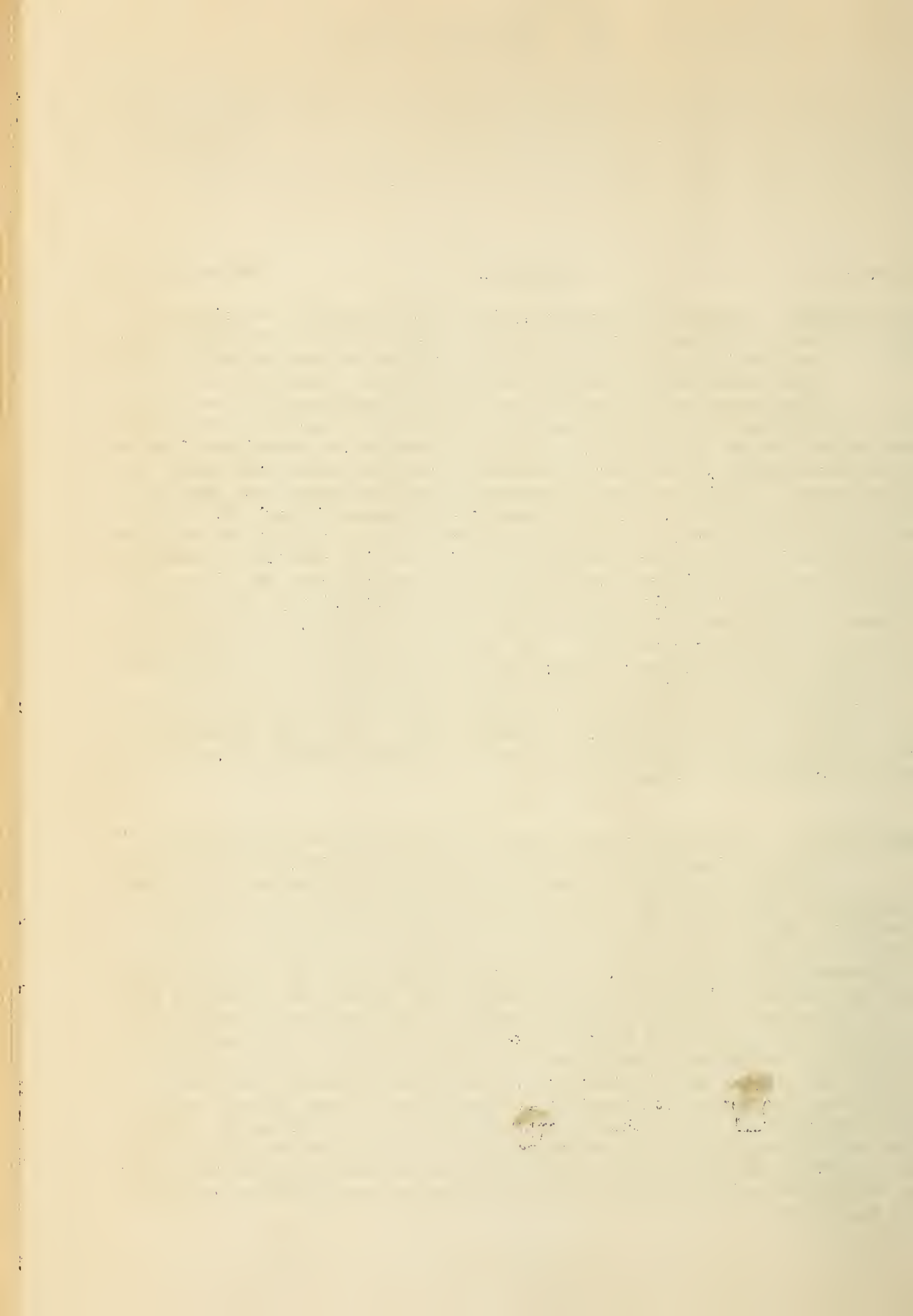
Section 1

October 17, 1925.

**PRESIDENT COOLIDGE** Despite a pronounced lack of enthusiasm for the policy of  
**ON FEDERAL AID** Federal aid to the States for good roads and other purposes, Presi-  
**ROADS** dent Coolidge will not stand in the way of the working of the 50-50 plan, White House spokesmen said October 16. Prospects of a new Baltimore-to-Washington highway with the assistance of the Federal Government were believed to be heightened by the President's position. White House spokesmen denied that Mr. Coolidge had written to Secretary of Agriculture Jardine opposing further outlays by the Federal Government for good roads development in the various States....The White House statement followed a speech made last night at Harrisburg by Gov. Albert C. Ritchie, Democratic Governor of Maryland, who has been advocating the elimination of Federal aid altogether. The White House spokesman made no effort to conceal the President's dislike of the Federal-aid principle. He pointed out that the President never had been in sympathy with the policy, explaining that apparently the only justification for the present program, whereby the Government is committed to Federal aid for a period of years, is the constitutional provision relating to post roads. It is the President's belief that the post-road idea is being stretched to cover the existing varieties of Federal aid. However, spokesmen made it plain that, if the Government were to continue its Federal-aid activities as now provided for, only those roads which are main lines of traffic should be given the benefit of Federal funds. It is the President's impression that many of the roads which now are being built through Federal aid are far from being post-roads. (Press, Oct. 17.)

**THE BAKERY MERGER** An Atlantic City dispatch to the press to-day says that President Coolidge was asked to block the \$400,000,000 bakery combination, pending its further investigation by Congress, in a resolution unanimously adopted at the closing session of the American Federation of Labor convention there October 16. The combination was denounced as hostile to union labor and as designed 'to keep the price of bread up to wartime levels.'

A special Washington dispatch to the press to-day says: "President Coolidge made known October 16 a policy for the guidance of the Department of Justice regarding the big merger of baking companies which, if followed consistently, will have an important bearing on the entire future relationship of that department to investigations of the Federal Trade Commission. In a discussion of the baking case, it was said, at the White House that if the Trade Commission has lodged a complaint against the merger with the Justice Department it goes without saying that the department will take up the report and press it to a conclusion. Trade Commission experts regarded this as an expression of Administration policy. The angle of interest in the White House remarks was the implication of responsibility upon the Attorney-General to follow up Trade Commission investigations and press them to a conclusion."



## Section 2

**Grain Trading** An editorial in the Louisville Courier Journal for October 13 says: "...That stringent rules have been adopted, after many years of agitation, only as a result of the Secretary of Agriculture's repeated warnings and orders to 'clean up' ought not to prejudice the operation of these measures. The public will judge the sincerity of the Board of Trade by the time and manner in which these new powers are wielded. The important fact is that the way has been opened to putting an end to a pernicious practice carried on under the guise of legitimate business."

**Marketing and Production** An editorial in Hoard's Dairyman for October 9 says: "A person is fortunate who has a mind capable of determining values. Such a mind sees the relationship of things. It is capable of determining the course to make farms produce larger incomes and is not likely to emphasize the unimportant matters to the neglect of the fundamentals. A man with such mind has more than one string to his bow and recognizes the relative importance of each. A farmer in Minnesota, in a letter to the Dairy Record, well illustrates the type of mind to which we have referred. He says: 'I think we farmers hear too much about the savings to us in better marketing and not enough about the profits in "larger and better production." There are savings in better marketing to be sure and we should give the matter our attention and support but let us not put the accent on marketing to the point of overlooking where the big profit is. There are dimes to be made in "better production" to pennies that can be made through the medium of "better marketing." Let that be regularly and constantly remembered. The more we understand that, the more we are going to strive to be better farmers. Knowledge of the fact that real profits come to us through larger and better production on our own farms, prompts us to study and plan and do the things which make the farm produce more and better products for less expense. As we get our farms on such basis, our prosperity is assured. The ups and downs of the business world will affect us only in small degree. Panics and depressions with their falling prices never put the good producer completely out of business. They bother him, of course, but the good producer gets through. The poor producer, however, is put to the woods. One of the funny things to be seen is the farmer who rushes around wondering and worrying about the markets when he has a herd of 160-pound producers and not an acre of alfalfa on the farm. A little more effort on his part at herd grading and feed production and a little less about the building up of some great marketing organization would seem, so far as he is concerned, to be more in order. Certainly, it will be a better money-maker for him.'"

**Non-Federal Roads** An editorial in Engineering News-Record for October 8 says: "Federal-aid roads have been so emphasized that engineers, and much less citizens in general, do not always realize that road construction outside of roads which receive help from Federal appropriations is a mighty task. The records are interesting. To January 1, 1925, Federal funds had contributed to the construction of 58,948 miles of highway, of which 12,462 miles were then under construction. In the same period and of roads of the same class, States and counties, without Federal aid, had completed or had under construction 62,931 miles. And all the money going meanwhile to maintenance came from State, county and township funds. No Federal-aid money forms any part of highway maintenance expenditures. From these figures it is obvious enough that States are not being forced into road improvement by the requirement to match Federal-aid allotments. The public does not require temptation to spend money for highways, and in any case Henry Ford has been a far more powerful tempter than Federal aid

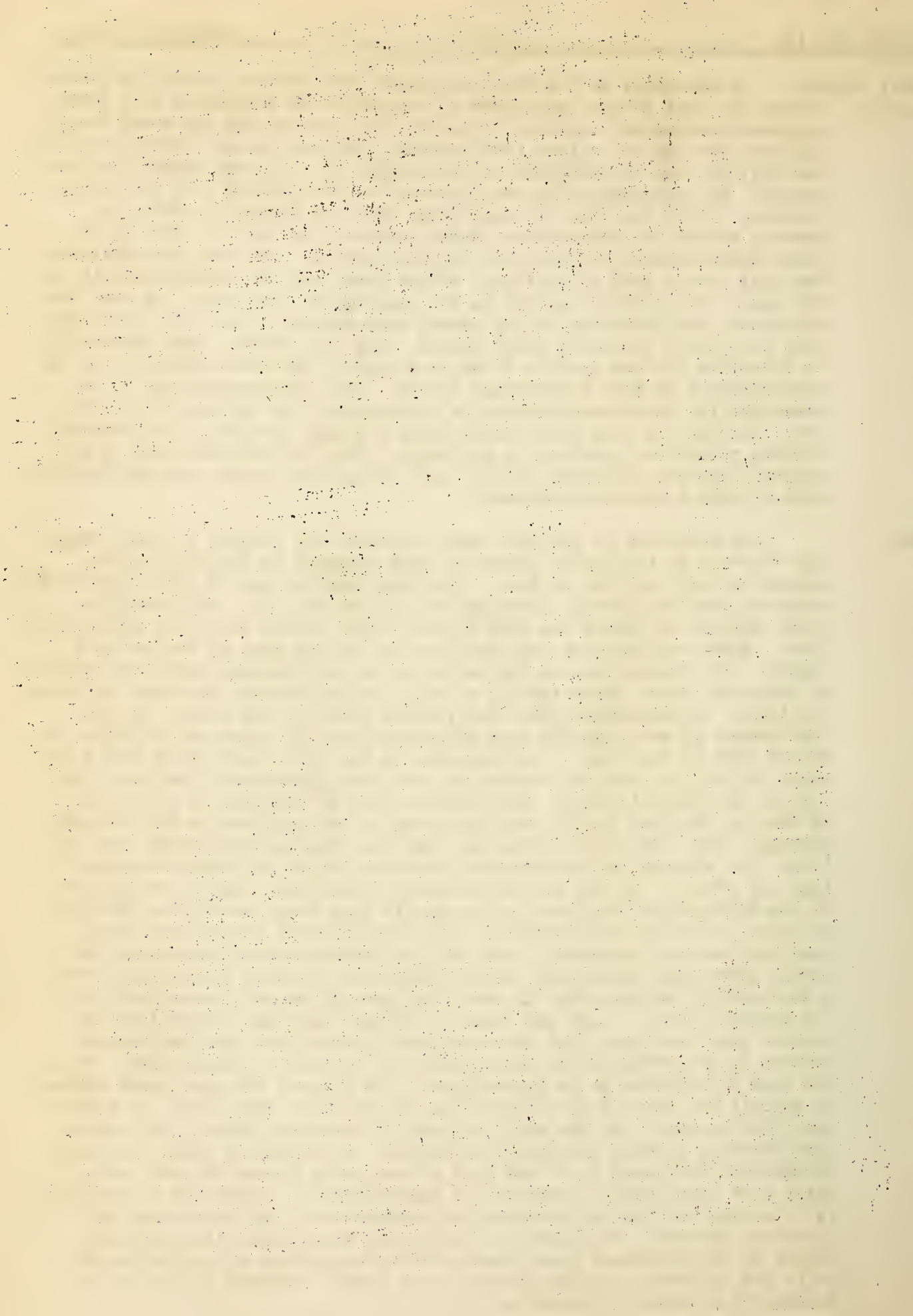
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**Postal Carrier Delivery** An editorial in The Michigan Farmer for October 3 says: "In several States the Post Office Department is conducting an experiment in a novel producer-to-consumer marketing project. The plan is for the rural free delivery carrier to collect farm products from the farmers along his route and deliver them to consumers in the village or city from whence his route starts. He is permitted to keep one-half of the parcels post fee for his trouble. While the plan is being tried out on a number of routes in several States, no publicity is being given to the effort. Some of our farm organizations, particularly the farm bureau, fear that the enterprise may fail from a lack of publicity rather than from the impracticability of the plan. Unfavorable reports on the plan might, they think, be used later against the extension of the parcel post service along lines that will help the people living on rural routes. For this reason, they contend it is desirable to know whether there is a general sentiment favorable to the establishment of such a marketing system. The organizations are to be commended for their watchfulness in this matter. We are uncertain, however, whether, in this case, their fears are well grounded. One consideration raises the question in our minds. That is that there are no interests, private or public, which would in any way suffer from the development of such a marketing scheme."

**Wages** An editorial in The Wall Street Journal for October 14 says: "Wages and salaries in the United States in 1919 amounted to \$34,800,000,000, against \$15,000,000,000 in 1909. The year 1920 was one of great industrial activity, and the payroll increased to \$41,600,000,000. But later the total dropped to around the 1919 figure, which to-day is fairly representative. Wages and salaries now make up about 58 per cent of the national income. The figures are on the authority of the National Bureau of Economic Research, whose investigation of this subject brought out some interesting facts. Manufacturing pays the largest share of the total. In 1919 that branch of our industry paid \$13,600,000,000 in wages and salaries, or 39 per cent of the total. Agriculture, on the other hand, paid only 4 per cent. But this is not to be taken to mean that agriculture does but 4 per cent of the Nation's work. The greater share of the work of agriculture is done by the farm family, and therefore is not included in the national payroll. From the social viewpoint, Montana, Wyoming and Nevada lead the list. The workmen in those States receive a larger per capita average than any others. In the cotton-producing States they receive the lowest. In the agricultural sections of the Middle West they are between the two extremes, while in the industrial East they are well toward the front. From the business viewpoint, that is, the production and consumption of goods, prosperity seems more nearly stabilized in those States that have a diversified industry than in some that specialize and concentrate on a few certain lines. There are times in agriculture when specialized production pays the best. But there may come a time when that particular product is overproduced and the agriculture suffers in consequence. It is the same in industry as in agriculture. The figures for this great national payroll are cited to call attention to the great change that is coming over this country. We are still a great agricultural nation, but we are also becoming a great manufacturing nation. A country in which the wages of manufacturing make up 39 per cent of the total income can not be anything else than deeply interested in manufacturing. Invention is constantly releasing men from agriculture for manufacturing and increasing the divisions thereof. The making of this great wage income is a constant piling up of purchasing power that prevents congestion of production and calls for increasing output, making for a higher standard of living and leading to a better citizenship."



## Wheat Sales

An editorial in Farm, Stock and Home for October 1 says: "Some wheat growers without farm storage are playing what seems to us a dangerous game, that is, selling their wheat and buying futures on the expectation of a later advance. This might be fairly safe if no more of the option wheat were purchased than the amount of real wheat sold. They could then carry the trade down as far as the price is likely to go and possibly make a profit later, but if a thousand bushels of real wheat are sold for, say, \$1.25, the temptation to turn around and buy 10,000 bushels of May wheat is usually too great to be resisted, so that a break of  $12\frac{1}{2}$  cents will wipe out the amount received for the real wheat. Records show that May wheat, averaging a long period, in 11 out of 12 years reaches its lowest point sometime in the months of September, October or November and makes an advance of several cents before delivery day, but there is always a chance that any particular year may be one in which this may not happen. At all events, a high fall price, such as we now are enjoying, naturally gives the probability of a smaller advance than would be the case were the price considerably lower. There is now a possibility that we may keep our prices out of line for much export business, until supplies begin moving from other countries, so find ourselves with a lot of wheat on hand in May with nowhere to go but down. If we were actually on a domestic basis, we could count with assurance on advancing prices as our supplies decrease, but we are not on such a basis. There is no shortage of United States wheat in sight at this time!"

## Section 3

Department of Agriculture 1 A Boston dispatch to the press of October 16, states that the National Association of Cotton Manufacturers in convention here adopted a resolution declaring: "1. That the issuance of estimates of the size of the cotton crop by the Department of Agriculture of the United States Government early in the growing season is disturbing to the cotton manufacturing industry and to the cotton growers. 2. That this association requests the National Council of American Cotton Manufacturers to formulate a resolution on this most vital subject, urging Congress to so amend the present law as to provide that no estimate of the sizes of the cotton crop be made by any Government agency before some date when the crop is sufficiently advanced to make possible a reasonably accurate estimate."

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An editorial in The Journal of Commerce for October 16 says: "As president of the National Association of Cotton Manufacturers, Morgan Butler on Wednesday insisted that the Government ought to stop its 'guessing' or 'estimating' with respect to the cotton crop, at the same time calling attention once more to the real damage inflicted upon legitimate business by practices now in vogue in Washington. No one who knows much of the current situation will doubt for a moment where the truth lies in this situation. The only question is how can reform be accomplished. So little understanding of the real defects of the present system appears to be in existence in Congress or elsewhere in the political field, and probably if the truth were known so little genuine interest in adequate reform, that it must be confessed that the outlook is none too bright. Mr. Butler has without a peradventure of a doubt hit the nail squarely on the head in calling for an abandonment of official guessing. That is the real 'nigger in the woodpile,' complaints about the frequency of the reports and the like to the contrary notwithstanding. We shall have adequate and helpful crop reports when our Federal Government seriously turns its attention to compilation of pertinent facts and leaves the field of guessing to somebody else, and not before. And,



incidentally, it would be difficult for public authorities to make the facts known at too frequent intervals. If officials would give us the facts as abundantly and as frequently as feasible, no justifiable complaint could lie against them."

#### Section 4

#### MARKET QUOTATIONS

**Farm Products** Oct. 16: New York Baldwin apples sold at \$4 to \$4.50 per barrel in New York City and mostly \$3.75 f.o.b. Rochester. New York sacked Round White potatoes \$3 to \$3.15 per 100 pounds in New York City and \$2.55 to \$2.75 f.o.b. Rochester. New York Danish type cabbage mostly \$18 to \$25 bulk per ton in leading markets and \$13 to \$14 f.o.b. Rochester. Best yellow onions from eastern and midwestern States are holding firm at \$2.25 to \$2.75 per 100 pound sack in consuming centers; \$2 to \$2.20 f.o.b. shipping points.

Chicago hog prices closed at \$12.10 for the top; bulk \$10.40 to \$11.80; beef steers choice \$14.50 to \$16.25; good \$10.25 to \$15; heifers good and choice \$7.25 to \$12.00; cows, good and choice \$5.50 to \$8.75; medium and common \$3.75 to \$5.50; vealers, medium to choice \$9 to \$12.50; heavy calves medium to choice \$5 to \$8.25; stocker and feeder steers common to choice \$5 to \$8.75; fat lambs medium to choice \$13.50 to \$15.40; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes, common to choice, \$4.50 to \$8.25; feeding lambs \$14 to \$15.90.

Grain prices quoted October 16: No. 1 dark northern Minneapolis \$1.44 to \$1.71. No. 2 red winter St. Louis \$1.72 to \$1.75; Kansas City \$1.67 to \$1.70. No. 1 hard winter Chicago \$1.58; No. 2 hard winter St. Louis \$1.62; Kansas City \$1.63 to \$1.68. No. 2 yellow corn Chicago 84 to 84 1/2¢; St. Louis 85¢; Kansas City 87¢. No. 2 mixed corn Chicago 82 1/2¢; Kansas City 84¢. No. 3 mixed corn Minneapolis 78¢. No. 3 yellow corn Chicago 83 1/2¢; Minneapolis 80 1/4¢. No. 2 white corn Chicago 83¢; St. Louis 87¢; Kansas City 86 1/2¢. No. 3 white oats Chicago 39 1/4¢; Minneapolis 35 1/4¢; St. Louis 41¢; No. 2 white oats Kansas City 40 1/4¢.

Closing prices on 92 score butter: New York 52 1/2¢; Philadelphia 53 1/2¢; Boston 51 1/2¢.

Middling spot cotton in 10 designated markets declined 28 points, during the week, closing at 20.93¢ per lb. New York October future contracts declined 43 points, closing at 21.40¢. (Prepared by the Bureau of Agricultural Economics.)

Industrials and	Average closing price	Oct. 16,	Oct. 15,	Oct. 16, 1924
Railroads	20 Industrials	149.56	149.18	100.16
	20 R.R. stocks	102.26	101.93	86.40

(Wall St. Jour., Oct. 17.)



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Vol. XIX, No. 16

Section 1

October 19, 1925.

## MELLON ON TAX REDUCTION

According to the press to-day, Secretary Mellon, who is to be the first witness before the Ways and Means Committee of the House to-day and discuss tax reduction problems, made public last night a letter to Senator Edge of New Jersey in which he took a stand against proposals to exempt all net incomes up to \$5,000 in the next revenue law. This is the first formal statement made by Mr. Mellon concerning his views, although there have been numerous unofficial reports about what he believes should be done in regard to limiting exemptions, abolishing the inheritance taxes and the publicity features of the laws and reducing surtax rates. Secretary Mellon made the point in his letter that if incomes of \$5,000 or less were to be exempted it would be necessary in fairness to the taxpayers to exempt from taxation the first \$5,000 of all incomes large and small. If this were done, he wrote, it would mean a loss of \$167,000,000 annually to the Government instead of \$83,000,000, which had been estimated as the loss if the exemption was extended only to incomes of \$5,000 and less.

## THE STOCK MARKET

The New York Times of October 18 says: "A frenzy of speculative excitement ruled the stock market Saturday. Sales on the New York Stock Exchange were the largest in the entire history of that institution for a two-hour market, aggregating 1,682,550 shares, or at the rate of more than 4,000,000 shares for a full five-hour trading day. The market's physical machinery was unable to cope with the volume of orders that literally swamped brokers, and it was not until twenty-eight minutes after the bell at 12 o'clock that the final quotation was printed. Throughout almost the entire morning the tape ran from ten to twenty minutes behind the actual market. The market was divided into distinct halves. The first hour, from 10 A.M. to 11 A.M., was one of rapidly advancing prices, gains of from two to seven points being established in all of the speculative favorites--the motor shares, the steels and the specialties. The second hour, from 11 A. M. to 12 M., was one of falling prices, and stocks dropped so drastically and perpendicularly as not only to wipe out all morning gains but to establish some very large losses throughout the entire list. Two such directly contrary movements with such violence have probably never before been witnessed on the floor of the Stock Exchange....."

## FIRESTONE RUBBER

A London dispatch to the press of October 17 says: "News of **PLAN IN LIBERIA** the Firestone Rubber & Tire Company's Liberian rubber scheme was received here with great interest if with no particular enthusiasm. A hint that it may contain international complications if carried out on the scale as announced is made by a special correspondent of the Morning Post. 'There are two viewpoints,' he says, 'from which the situation may be considered, the industrial and the political. As to the industrial, those who know conditions in tropical Africa are surprised to learn that the proportion will be one white man to every ten Africans. Such a proportion is utterly unknown in other West Coast enterprises. When it is stated that the proposed force of 30,000 Americans will very far exceed the total European population in the four British dependencies, Gambia, Sierra Leone, the Gold Coast and Nigeria with the British mandate territories Togo and Cameroun added, this surprise will be better understood.....'"



## Section 2

**Bus and Rail-road** An editorial in New York Commercial for October 16 says: "The news that the Erie Railroad will curtail its suburban service because of the unrestricted competition of buses running from New Jersey towns to New York and back, calls attention anew to a situation which has elements about it that are all wrong from a public standpoint. The railroads of the country pay more in taxes than they do in dividends. They maintain their own rights of way and ask nothing from the State or the Nation when it comes to buying ties and rails and maintaining roadbeds. The bus, on the other hand, buys neither ties nor rails, but uses a right of way provided by the taxpayers out of the public treasury. For such a privilege the bus pays a mere trifling sum annually. When the roadway over which the bus operates wears out because--in a large measure--the bus has worn it out, the taxpayers--and this includes the railroads--come forward to rebuild the road used by the bus. This is a species of injustice which in the end promises to cripple a large taxpayer--the railroad--which furnishes a more expeditious method of getting from a suburban town to New York and back than does a bus. All taxpayers in addition to the railroads are hurt by this condition.....What we suggest is in line with good public policy. As matters stand the public treasury is being used to destroy one of the largest taxpayers in the country. Once that taxpayer is gone there will be less money with which to construct good roads, the transportation system of the country will have been crippled and the economic life of the United States will be less robust than now."

**Citrus Industry in Texas** "A new citrus-fruit producing area is coming to the attention of the consuming public. It is the lower Rio Grande Valley in Texas. But what may interest the public more is the fact that this additional area is producing a grapefruit so sweet that it does not require sugar. At this time sale of the Valley fruit is being pushed by a cooperative marketing organization which has obtained striking results. Its promoters cite comparative figures from the last marketing season which seem to show that Texas cooperatives received a substantially better price for their product than some other growers and, in addition, were refunded a rebate on packing charges. An unusual thing about the Texas growers is their willingness to cooperate without first suffering the penalties of lack of cooperation." (Manufacturers Record, Oct. 15.)

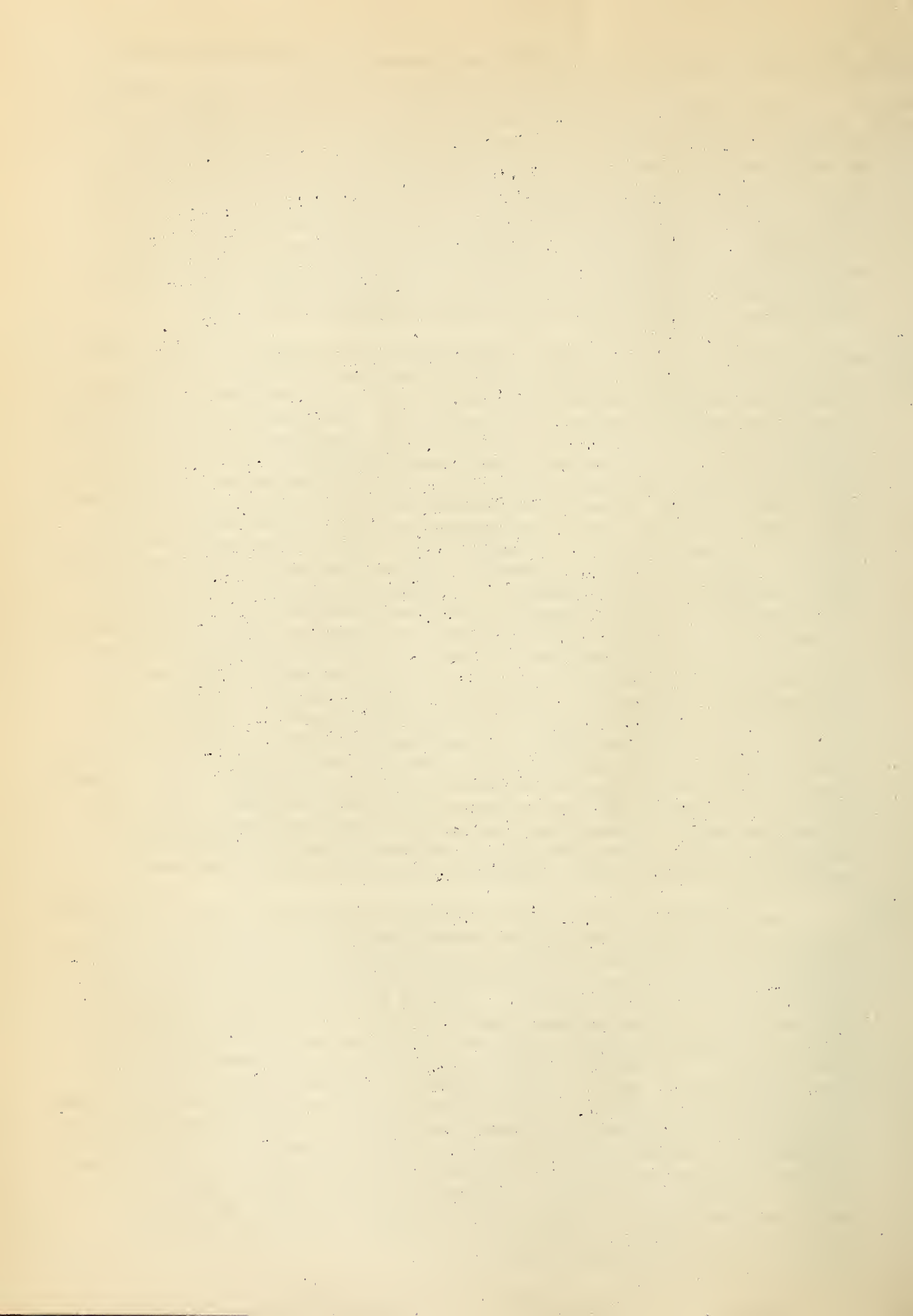
**Cooperative Buying in Pennsylvania** A West Chester dispatch to the press of October 15 states that co-operative buying of fertilizers, seeds, lime, spray compounds, mechanical rubber goods, twine, rope and various commodities by the Chester County Farm Bureau has resulted in keen competition for the business, which, since January last, has exceeded \$92,000, with the prospect of the year's total being well over \$100,000. An enlarged market and better prices for farm products are expected to result from a great influx of visitors to the Sesqui-Centennial celebration in Philadelphia next year. This situation, it is believed, will aid materially in increasing cooperative purchasing to the expected volume of a quarter of a million dollars in 1926. A survey of farm production in Chester and other nearby counties is being made, with a view to obtain data for working out a comprehensive marketing plan. Consumers will benefit, it is asserted, by the reduction of cost of handling, while the farmers will receive a larger net return.



**Education in Cooperation** An editorial in Southern Agriculturist for October 15 says: "The cooperative, to be successful, must stress the rational education of its members and the children of its members. Cooperators must insist upon an education which does not cease when the child leaves school, but continues steadily through life. Consolidated schools as community centers ought to develop wherever cooperation is busy selling the farmer's crops. Such schools can educate the children in books, and they can give the older children a chance to play big cooperative games and thus learn the value of cooperation and leadership. The average country boy rarely has an opportunity to get this education, which comes through contact with other boys of the same age, in the little one-room school house....."

**Railroad Earnings and Rates** An editorial in The Wall Street Journal for October 15 says: "With railroad net earnings improving month by month and a survey of freight rates by the Commerce Commission centered upon a request for a 5 per cent advance for western carriers, the question of a national rate policy again engages public attention. Indications are not lacking that the hereditary opponents of railroad prosperity are already preparing to use the earnings gains of the past few months as their ammunition in the western rate case. When traffic is heavy the popular cry is invariably that the railroads are in no need; when their earnings are poor it is objected that the state of business will not permit higher rates. The result has been that rate advances have been granted only when and only to the extent that they have <sup>been</sup> compelled by the danger of widespread railroad bankruptcy. On the other hand, general reductions have been made when no real necessity or excuse for them existed and specific 'adjustments,' predominantly downward, have been almost constant.... Just as the commission and public opinion refuse to sanction higher rates merely because of a single year of poor earnings, they can not reject a plea for higher rates because the current year's results happen to be better than those of a previous year or two. The issue presented by the western rate case is, not whether those carriers will be able to squeeze through for a while longer on their present rates, but whether these rates will, on the average volume of business over the reach of time, yield the carriers a wholesome return upon their investment. A wrong decision on that issue would be particularly unfortunate for the West, where more railroad mileage, terminals and equipment are still needed, despite motor vehicles and Panama canals."

**Railroads** An editorial in New York Commercial for October 14 says: "Editorial comment on the application of the western railroads for an increase in rates indicates that the campaign of education of the public to an appreciation of the realities in connection with the country's railroad problem has made but little progress. Editors still rail, snort and rear at the railroads just as has been their wont for the last thirty years. Why, they ask, should the farmer pay more freight to fatten the money-bags of the interests? If the railroads really must have more money, they plead, why can't somebody other than the farmer be made to pay it? Not many of them ask the last question. Few are willing to admit the possibility that the railroads might need more money from anybody. This is the reaction of the West to a commonsense appeal to its self-interest. More than any section of this country the West owes its livelihood and its very existence to the railroads. Without the railroad the West would be marketless and helpless, anything that cripples the railroads cripples the West, but western editors seem to believe that the West will get along somehow, whether the railroads make money or not."



## Section 3

Department of  
Agriculture

1

An editorial on the resignation of A. T. Goldbeck, chief, Division of Tests, Bureau of Public Roads, in Engineering News-Record for October 8, says: "Another of the leaders in Government technical research has left for more lucrative private employment. One by one the service is depleted, because of the Government's parsimonious policy. Government technical service has its attractions, as no one knows better than these gentlemen who are leaving it, but a man has some obligations to his family, that they shall be decently clothed and fed and mentally and spiritually enriched up to the station in life that their desire entitles them. And by no possible chance can a Government engineer or scientist to-day satisfy those obligations from his salary alone. Possibly it is cheaper to train men to the point where they begin to be real experts and then let them go, only to start to train new men, but private business has never found it so. The budget system is supposed to supply the advantages of business experience to Government. Why can not the Federal budgeters take this lesson to heart?"

2

An editorial in The Providence Journal for October 12 says: "The fact that the Government's estimates of this year's total cotton crop have fluctuated so widely from time to time through the season proves the need for accepting both its figures and private calculations with a great deal of reserve. A change of more than a million bales within the space of thirty days is something that must jar the sensibilities even of a Government statistician. The present situation, of course, from the standpoint of surprise, is not a new one. Government forecasts have been subject to sharp revisions in other seasons. But the current figures have bewildered everyone in any way related to the cotton industry as perhaps no set of figures heretofore presented. The Government is being rather sharply assailed by traders who placed too much dependence in the figures of a month ago. But it is hardly necessary to remind critics that no crop forecast can be taken too seriously. Crops are always subject to change without notice. Temperatures, rains, droughts, pests and other enemies, or friends as the case may be, are not only beyond human control but also beyond human calculation. The Government, moreover, has no monopoly on crop forecasts. Private agencies are all the while prognosticating. The chief reason for the continuance of Government forecasts is that the Government has better facilities for estimating than private organizations. But the October forecast on cotton, when compared with the September reckoning, should convince everyone that there is nothing at all certain about a crop forecast. It can do nothing more than indicate probable trend and it should be accepted accordingly."

3

Butte County (Calif.) Farm Bureau Monthly for October says: "The other day while riding on the stage we passed through a town in which is located the office of the Farm Bureau and Extension Service for the county in which that town is situated. Quite naturally we were interested in seeing what kind of an office the Farm Bureau maintained. No where were we able to locate the Farm Bureau office, but just as we were leaving town we saw an office with at least three signs on it to indicate that it was the office of the Extension Service, representing the College of Agriculture of California and the United States Department of Agriculture. The next time you are in town, take a look and see if this is your county we are talking about. If it is, get busy."



Section 4  
MARKET QUOTATIONS

## Farm Products

For the week ended October 17: Top price of hogs at Chicago today was 10¢ higher than a week ago standing at \$12.10 while bulk of sales ranging from \$10.20 to \$11.70 were 5 to 30¢ lower. Inbetween grades of fed steers closed weak and mostly 25 to 50¢ lower than a week ago. Western grassers and common native steers are around 25¢ lower, stockers and feeders 15 to 25¢ lower. Cannery and cutters 15 to 25¢ lower, vealers around \$1 lower than a week ago. Bulk of prices for the week were as follows: Grain fed steers \$10 to \$12.75, grass steers \$7.75 to \$9, fat cows \$4.25 to \$6.35, heifers \$5.50 to \$7, cannery and cutters \$3.15 to \$3.60, veal calves \$11.25 to \$12, stockers and feeders \$6 to \$8, extreme top on matured steers \$16, while long yearlings brought up to \$15.35. Dull trade and steadily declining prices featured the trading in wholesale fresh meat. New York prices good grade meats for October 17: Steer beef \$16 to \$21; veal \$16 to \$18; lamb \$24 to \$26; mutton \$15 to \$16; light pork loins \$24 to \$27; heavy loins \$18 to \$22.

Potato markets unsettled, but prices held 25 to 50¢ higher than a week ago. New York sacked Round Whites mostly around \$2.75 per 100 pounds in New York City; \$2.55 f.o.b. Rochester. Sweet potato markets were somewhat irregular but prices were generally slightly higher. Virginia Yellows \$4.50 to \$5.50 per barrel in city markets and \$4 to \$4.25 f.o.b. Apple prices generally steady. Eastern York Imperials brought \$4 to \$4.25 per barrel in New York and Northwestern Greenings \$4.25 to \$5.00. Cabbage markets dull, prices weaker. New York Danish type ranged \$18 to \$25.00 bulk per ton in leading Eastern consuming centers; \$13 to \$14. f.o.b. Rochester.

Butter markets have again started on an upward swing. Prices advanced about 1 1/2 cents during the week ending October 17. Production is still reported as showing some small decreases. Closing prices on 92 score: New York 52¢; Chicago 50 1/4¢; Philadelphia 53 1/2¢; Boston 51 1/2¢.

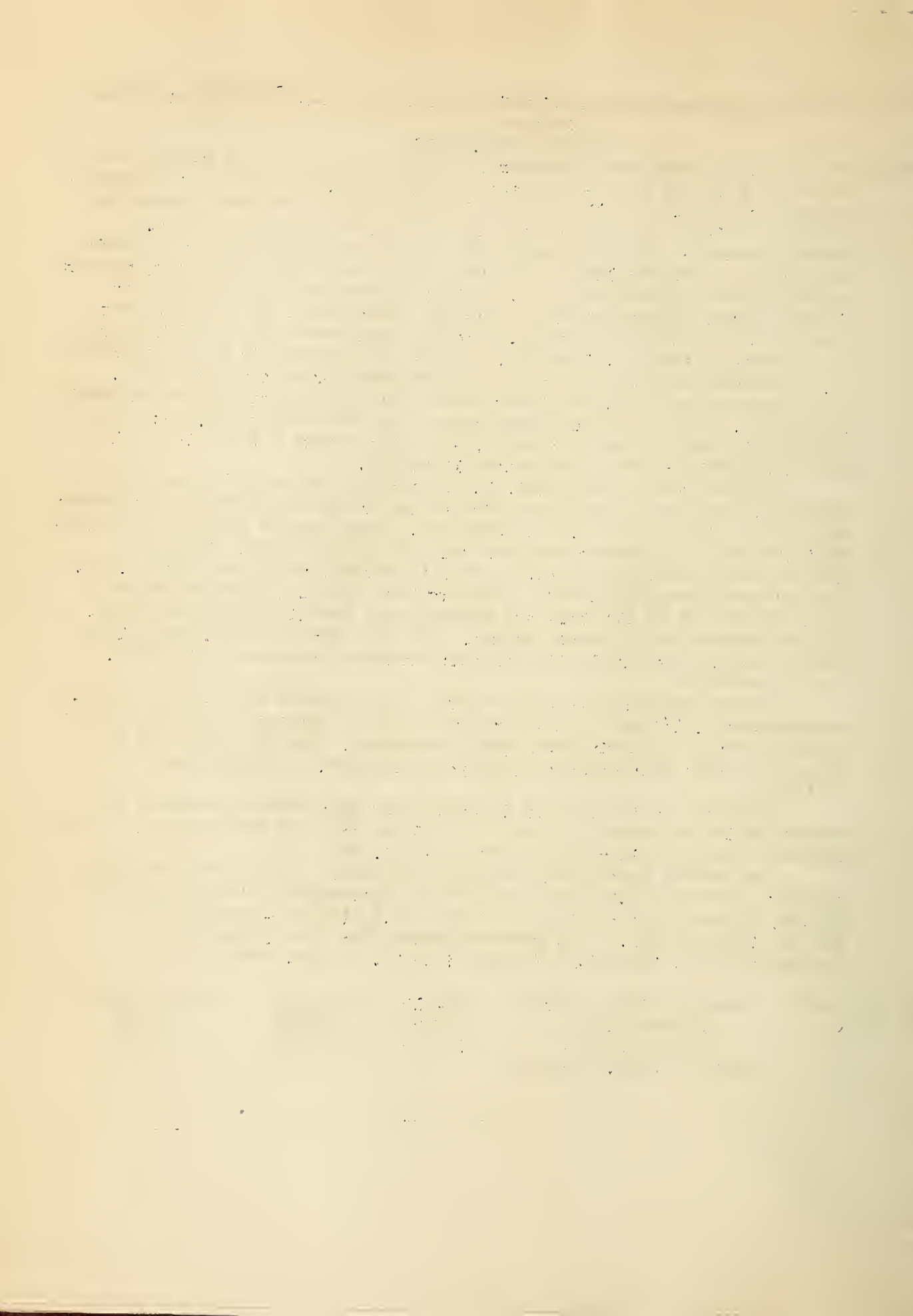
Middling spot cotton in 10 designated spot markets advanced 16 points during the week, closing at 21.05 per lb. New York October future contracts advanced 12 points, closing at 21.52¢.

Hay market practically unchanged for week. Quoted Oct. 16: No. 1 timothy - Boston \$26.50; New York \$28.50; Pittsburgh \$26.50; Cincinnati \$25.50; Chicago \$26; St. Louis \$27.50. No. 1 alfalfa - Kansas City \$20.75; Omaha \$18.50. No. 1 prairie Kansas City \$14; Omaha \$14.25; Chicago \$19; St. Louis \$18. (Prepared by Bu. of Agr. Econ.)

Industrials and  
Railroads

Average closing price	Oct. 17,	Oct. 16,	Oct. 17, 1924
20 Industrials	147.39	149.56	100.16
20 R.R. stocks	102.08	102.26	85.40

(Wall St. Jour., Oct. 19.)



# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 17

Section 1

October 20, 1925.

## MELLON ASKS TAX

-CUT A tax cut of \$250,000,000 to \$300,000,000 was recommended to Congress yesterday by Secretary of the Treasury Mellon before the House Ways and Means Committee in starting the legislative machinery for revenue revision. Although he carefully refrained from presenting a ready-made "Mellon plan," as he did two years ago, the Secretary of the Treasury told the committee quite plainly how he would write the new tax legislation if he were doing the writing. The cardinal points of his views as he outlined them to the committee were: Reduction of the surtax from the present maximum of 40 per cent to a maximum of 20 per cent. Reduction of normal taxes from the present rates of 2, 4 and 6 per cent to 1, 3 and 5 per cent with no increase in the amount of the exemption. Elimination of the deduction of 25 per cent, allowed under existing law, for earned incomes. Repeal of the estate and gift taxes. Retention of virtually all the miscellaneous or so-called "nuisance" taxes, with the exception of those on automobile trucks, accessories, tires and art. Abolishment of the income publicity section of the present law. Opposition to the Democratic plan for spreading payment of America's \$20,000,000 public debt over a period of fifty or sixty years to make larger tax reduction possible.

The suggested normal tax rates, upon which the Treasury estimates were based yesterday, would levy 1 per cent on incomes up to \$5,000, minus the present exemption; 3 per cent on incomes over \$4,000 and up to \$7,000, and 5 per cent on all incomes over \$10,000. At the same time, it is proposed to eliminate the deduction of 25 per cent allowed for earned income, so that the net effect of the suggested reduction would be small to the average person.

## HOOVER ADVOCATES

WATERWAYS A Kansas City dispatch to the press to-day says: "With a population increase of 40,000,000 likely in the next twenty-five years, Secretary Hoover declared in an address to civic and agricultural associations at Kansas City last night that the time is ripe for the United States to embark upon the creation of a gigantic system of inland waterways. Building should <sup>not</sup> be done on a 'collection of disconnected local river and lake projects,' he said, 'but upon works that will be segments in the end of continental systems.' For generations, the Secretary asserted, 'we have driven our energies in the development of land. To-day we must speed the development of our water in its aid to the land--power, irrigation and above all, transportation.' Mr. Hoover said the reason some of the waterways had not been successful in the past was because they had been broken up in such a way that shallow sections interfered with their proper functioning. More railway trunk lines must be built in the States that could be served by waterway systems or waterways must be improved to take part of the burden, the Secretary declared. 'Waterway improvement,' he said, 'would work no injury to the railroads. There is to-day no excuse for continuing the battle between the railways and the waterways, for we are faced with a period when both are needed. We have had great battles over joint rates, but if we have a real system of internal waterways, this problem will settle itself, for the day will come when the railways will be seeking them.'"



## Section 2

## Cattle

An editorial in The Wall Street Journal for October 19 says: "Choice steers have sold as high as \$16.50, and the average of all grades at Chicago has been \$11.75, against \$7.80 at this time in 1921. Long and dusty has been the trail of the cattlemen. Now, such of them as have survived are approaching the fields of prosperity. There have been many tragedies along this route in the past five years. Some of the old cattlemen are broken and out entirely, but those who are still in the business have a right to look forward to several years of prices in accordance with the general price level of the country. Five years ago there was an oversupply of cattle. The census of 1920 showed 43,400,000 head of cattle, not counting dairy cows. As the beef herds decrease only as the marketings are in excess of the natural increase, the supply comes down very slowly. Last year, after a market consumption of 14,000,000 head, the Department of Agriculture's census as of January 1, 1925, showed that the beef supply was reduced to 40,000,000. Beef and pork substitute for one another for the greater part of our population. In the past few years the cycle of hog production has been on its upward trend, and two years ago it reached its crest. In the corn belt there was a pig production of 57,000,000. This helped to keep prices down for beef. But hog production then passed its peak, and now is on the downward course. This year the corn belt had a pig crop of 43,000,000. If this difference of 14,000,000 hogs in the two years were translated into terms of beef steers, it would represent at least 25 per cent of the usual number consumed in the United States. This means that 25 per cent of the beef steers' competition is cut off. December corn at Chicago is about 75 cents a bushel. Last year at this time it was 50 per cent more, and during the winter went still higher. Farmers could not avoid losses when trying to turn high-cost corn into low-priced beef and pork. Conditions are reversed this year, and with cheap corn there will be active bidding for beef feeders and stocking cattle. As the decrease of the beef herds is slow, so also must be the increase. Higher prices, of course, will stimulate production, and undoubtedly will again bring about overproduction. But this is a question five or six years in the future. Apparently the cattlemen have half a dozen years of good business ahead of them."

## Chicago Board

## Regulations

An editorial in The Northwestern Miller for October 14 says: ".... It is not so important that these changes in rules shall achieve the results hoped for as that the Chicago Board of Trade has thus definitely declared itself in step with public opinion. The vote is a courageous declaration that the world's greatest grain market no longer regards itself as a private organization conducted for the benefit of its members, but accepts full responsibility as a part of the Nation's economic machinery. In the face of such avowal of trusteeship, those who have heretofore loosely condemned the Chicago Board of Trade as a commercial Captain Kidd will have to support their indictment by citing book and page.... The milling industry and all that part of the trade which is interested chiefly in the maintenance of hedging insurance owes a great debt to the members of the program committee who initiated and carried to completion a difficult task. Faced with the initial opposition of an undoubted majority of their fellowmembers, they so conducted their campaign as to gain, first, respectful attention, and ultimately wholehearted support. The value of their accomplishment will be increasingly apparent as time demonstrates the wisdom of the policies proposed by them and now to become effective. Even those members who, doubtless from honest difference of opinions as to measures and methods, continued their



opposition to the last, will come in time to recognize the gain to the Chicago market and futures trading as a whole. The Board of Trade as a mechanism to serve, even frequently to yield to, speculative interest, was constantly exposed to justifiable censure. The same organization conducted primarily in the general service will gain in dignity and public confidence."

Cotton and  
Business

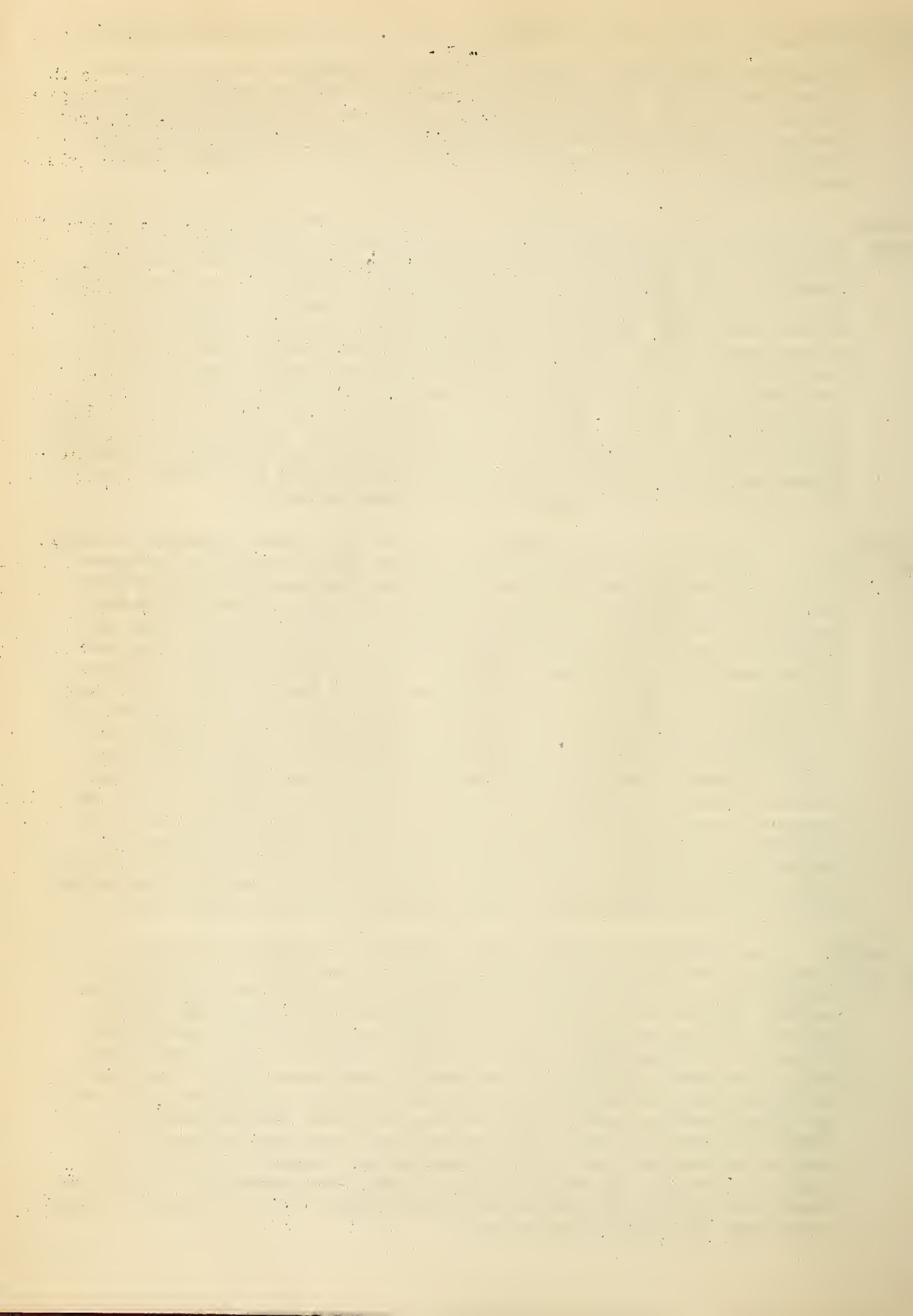
An editorial in The Journal of Commerce for October 19 says: "There is almost as much divergence of opinion in well informed quarters with respect to the size of the cotton crop as ever, but it is now generally agreed that the output will, in the absence of unexpected weather developments, be quite substantially larger than most observers expected it to be some weeks ago. In these circumstances it is hardly surprising that many elements in the business community are now turning their attention seriously to the question what the effect of this large output will be upon business. No one doubts that, generally speaking, the result will be salutary all round. More moderate prices for raw cotton, though still high enough to yield the farmer reasonable profits, are indicated. A much larger volume of consumption is confidently expected as a result of prosperous rural districts and of more reasonable charges for finished goods made of cotton. There is good ground for such hopes."

Farmer-Labor  
Study

An editorial in The Survey for October 15, says: "Exposing farmers, labor unionists and college students to each other, and all to international scholarship, has been the interesting function of the Rocky Mountain Farmer-Labor Summer School, which held its third annual eight-day session in Idaho Springs, Colorado, this summer. The farmers began by accusing labor of responsibility for the high cost of living on account of the wage level. They were instantly given an informal course of instruction on the trend of rents, the shortage of housing, the conditions of equipment, and the like. The farmers, in their turn, were accused of profiteering in foodstuffs, but when the group got through figuring the farmer's actual wages after deducting overhead costs, the labor group stood unanimously ready to admit the farmer into the fraternity of the workers. They began slowly to see that both groups were in the grip of economic forces and agreed that in the cooperative field they must work together.... Economics, economic history and the cooperative movement headed the curriculum, with English, industrial and agricultural legislation, public speaking, agricultural economics, and a composite discussion group for the consideration of organization problems to round it out."

Motor Traffic  
in Britain

An editorial in Country Life, (London) for October 10 says: ".... Mr. H. G. Wells long ago prophesied that, as soon as the individual citizen could move freely and swiftly in his own mechanically propelled vehicle, England would become a vast combination of suburb and market garden. His prophecy is, as yet, unfulfilled. But of the centrifugal effects of motoring there is already ample evidence to-day. The town-dweller has been emancipated. Our country inns have revived, our roads, though in danger of reverting to the turnpike era, enjoy a new life, and the barrier between country and town has to a very large extent been removed. Changes as great as those which have overtaken the towns have come to the remotest parts of the countryside. Shopping centres, golf courses, rivers and shoots have become vastly more accessible. Dwellers twenty miles apart find themselves near neighbors, and the range of social intercourse is immeasurably widened."



## Rubber

An editorial in The New York Times for October 16 says: "The effect of rubber on international politics during the decade following the great war will some day furnish a subject for a Ph. D. thesis. Cotton and oil have each been crowned 'king,' but the present world-wide signs point to rubber as heir apparent. As the world's greatest users of automobiles, the American people are vitally concerned in an abundant supply of rubber. Some day, perhaps, non-rubber tires will be made to replace the present tubes and shoes. Till then this flivvering nation will insist on plenty of cheap tires. Much has been made of the report that rubber could and would be raised in the Philippine Islands.... Now comes the great rubber project of the Firestone Company in Liberia. It is also said that attempts will be made to grow rubber in Louisiana and Florida. The advocates of home-grown rubber are probably a little over-optimistic, but it will be remembered that when first the Brazilian rubber plant was introduced into the Malay Peninsula and Java the wiseacres prophesied that the plan was doomed to failure. Fortunately, there is no danger of an actual rubber shortage. It is amusing to speculate about the diplomatic battles that would take place if the American people were deprived of their rubber supplies. We have become so dependent on rubber that we take its unlimited availability for granted...."

## Section 3

Department of  
Agriculture

An editorial in The Florists Exchange for October 17 says: "Secretary of Agriculture Jardine has said that one of the very first matters to be brought to his attention upon assuming his portfolio was the plant quarantine controversy. There is no doubt that he has continued to hear about it ever since; and there is plenty of evidence that he has given the subject much personal attention in his endeavor to arrive at the facts. This is cause for gratification to those who question both the wisdom and the legality of the department's policy as formulated and defended by the F. H. B. and who are convinced that a calm, unbiased review of all the facts and the entire history of plant quarantine administration since 1912 will justify their criticism and bring about improvement along constructive lines. Naturally, the exclusion of narcissus bulbs as a pending action has occupied--and still occupies--the center of the stage. Not alone because of its actual effects, but also because of its significance as a precedent, the embargo still scheduled for January 1, 1925, is of outstanding importance. But at that it represents but a single example of administrative action according to the F.H.B. exclusion ideas, and irrespective of how Secretary Jardine decides as to narcissus, there remains the question of the rightness or wrongness of the basic principles that it exemplifies. It is with a view to determine this all-important point that the Merchants Association of New York, in the admirable brief published in another column, calls upon Secretary Jardine for a full investigation. This is a request that can be and doubtless will be approved and seconded by horticulturists--commercial, amateur and professional--all over the country. Such an investigation is needed to settle once and for all the problem of how far bureaucracy can and should be allowed to interfere with the rightful activities of the Government. Secretary Jardine, measured both by his position and by his ability and temperament, is the right man to carry it through. It will augur well for American horticulture and for the status of the United States Department of Agriculture if he gives favorable consideration to this latest appeal."



The Merchants Association of New York, according to the October 12 issue of Greater New York, its official organ, has sent to the Secretary of Agriculture a statement regarding the application of the Plant Quarantine law, setting forth principles in which it believes and asking him to investigate orders which seem to have no legal authority. This statement was drafted by the association's committee on plant quarantines and their administration, and was adopted by the board of directors at a late meeting.

## Section 4

## MARKET QUOTATIONS

**Farm Products** Oct. 19: New York and Pennsylvania sacked Round White potatoes ranged \$2.65 to \$3 per 100 pounds in leading eastern markets and mostly \$2.55 f.o.b. Rochester, N.Y. Eastern York Imperial apples and New York Baldwins and Wealthys sold on the same level of \$4 to \$4.50 per barrel in leading eastern markets. New York Danish type cabbage declined \$2 to \$5 bulk per ton in eastern consuming centers to a range of \$15 to \$25. Onion prices somewhat irregular in city markets; mostly steady at shipping points. Eastern and midwestern yellow varieties of onions ranged \$2.25 to \$2.75 sacked per 100 pounds in leading city markets and \$2 to \$2.10 f.o.b. Rochester. Virginia yellow sweet potatoes closed at \$3.75 to \$5 per barrel in a few eastern cities and \$5 to \$5.25 in Pittsburgh and Cincinnati. Tennessee Nancy Halls in bushel hampers sold at \$1.50 to \$1.65 in Chicago.

Chicago hog prices closed at \$12.15; bulk of sales \$10.40 to \$11.90; beef steers choice \$14.25 to \$16.25; good \$10.25 to \$15; medium \$8 to \$10.50; heifers, good and choice \$7.25 to \$12; common and medium \$5 to \$7.25; cows, good and choice \$5.50 to \$8.75; common and medium \$3.65 to \$5.50; vealers, medium to choice \$9 to \$12; heavy calves, medium to choice \$5 to \$8.25 stockers and feeders, common to choice \$5 to \$8.75; fat lambs medium to choice \$13.25 to \$15.25; yearling wethers, medium to choice \$9.50 to \$12.50, fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$15.90.

Closing prices on 92 score butter: New York 52¢; Philadelphia 53¢; Boston 51 1/2¢.

Grain prices quoted October 19: No. 1 dark northern Minneapolis \$1.45 to \$1.72. No. 2 red winter St. Louis \$1.72 to \$1.75. No. 2 hard winter Chicago \$1.56 to \$1.57 1/2; St. Louis \$1.63. No. 2 mixed corn Chicago 84 1/2¢; No. 3 mixed corn Minneapolis 77 1/4¢. No. 2 yellow corn Chicago 85¢; St. Louis 84¢. No. 3 yellow corn Chicago 84 1/2¢; St. Louis 86¢. No. 3 white oats Chicago 39 1/2¢; Minneapolis 35 1/8¢; St. Louis 41¢.

Middling spot cotton in 10 designated spot markets advanced 32 points during the week, closing at 21.21¢ per lb. New York October future contracts advanced 39 points, closing at 21.79¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Oct. 19.	Oct. 17,	Oct. 18, 1924
	20 Industrials	143.53	147.89	101.76
	20 R.R. stocks	103.86	102.08	88.04
	(Wall St. Jour., Oct. 20.)			



# DAILY DIGEST

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Vol. XIX, No. 18

Section 1

October 21, 1925.

## NEW CANADIAN WHEAT

A Winnipeg dispatch to the press to-day states that a new wheat, which is said to give promise of being resistant to black stem rust and is the result of selecting and hybridizing seven times, has been developed by Samuel Larcombe widely known agricultural expert of Birtle, Man. The new wheat has been named "axminister," and while its producer does not claim that it is an absolute rust resistant, it is said to show almost perfect resistance. It yields 30 per cent more than "marquis," and is said to be equal in milling value to "red fife" and "marquis". Mr. Larcombe commenced its development in 1916. In 1924 it showed less than 5 per cent of rust infection, when marquis and other varieties, growing within five feet of it, were infected 100 per cent this year. Mr. Larcombe said, it had done even better.

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## SUGAR PRICE

A New York dispatch to the press to-day states that both raw and refined sugar sold in the New York market yesterday at the lowest prices since January, 1922. Sales of the Cuban raw product were made at 2 cents a pound, exclusive of the duty, and the price of fine granulated sugar was reduced by most refiners to 5 cents a pound.

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## SOVIET WHEAT EXPORT

An Associated Press dispatch to-day from Moscow states that indication that the Soviet Government now expects to be able to export only between 5,000,000 and 6,000,000 tons of wheat was given by Leo Kameneff, chairman of the Council of Labor and Defense yesterday. Bad weather had reduced the harvest by 3,500,000 tons, he said.

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## THE BAKING MERGER

An Associated Press dispatch from Chicago to-day says: "Using as a subject the proposed new baking merger, William E. Humphrey, member of the Federal Trade Commission, said in an address before the American Oil Men's Association at Chicago yesterday that the 'majority of the commission are not going to be stampeded into making a lot of misleading, sensational and self-saving statements by the frantic shrieks of publicity seekers.'... 'A few days ago,' he said, 'the Federal press carried a startling story that a \$400,000,000 bakers' trust had been formed to prey upon the staff of life of the common people. This statement was further embellished by a sensational assertion that the Federal Trade Commission could have prevented the consummation of this gigantic wrong if it had made public the facts concerning the case it already had commenced against some of the parties of this alleged transaction.' Mr. Humphrey said the commission had issued a complaint against some of those interested, but that the facts had not been made public because all the information gathered tended to show that what had been done was legitimate."

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*[Faint handwritten notes or markings]*

This image shows a blank, aged, cream-colored page, likely an endpaper or flyleaf of a book. The paper has a slightly textured appearance with some minor discoloration and faint, illegible markings or stains, particularly along the left edge and bottom. There is no text or other content on the page.

## Section 2

Agricultural  
Legislation

An editorial in The Journal of Commerce for October 20 says: "News now comes from Washington that a 'bigger and stronger' agricultural bloc is planning to revive Government export credit schemes this winter, when Congress meets, and from all appearances has decided to play for larger stakes than ever. As to the necessity of any such program, it is but necessary to point to the fact that we shall, in all probability, have but little wheat for export this year in any event, and to call attention once more to the discovery made by the War Finance Corporation a few years ago that liberality in the extension of credits did not, and in the nature of the case could not, do a great deal to stimulate foreign sales of cotton. The farmers of this country by and large are no longer to be greatly pitied or pampered, if they were ever in a condition that demanded such an attitude toward them, and it ought not to be difficult to prevent the passage of such clearly socialistic, expensive and altogether unnecessary legislation during the coming winter....There is, however, another side to this matter, an aspect that is regularly neglected both by those who profess special interest in agricultural problems and those who are more engrossed with other questions. Despite the improvement in rural districts, notwithstanding the bountiful crops, and no matter if farm prices are a good deal better than they were at one time, agrarian legislation of a really constructive sort is needed. Farm credit is a subject about which much has been heard for a good many years, and in connection with which statutes have been sent to the books, but he is naive indeed who supposes that the needs of the situation have been adequately met. There are other broader questions such as the tariff and immigration which vitally touch the farmers' welfare that are in need of careful and constructive thought. One of the best means of impeding real progress in dealing fully and constructively with the agricultural situation in this country is for those who claim to speak for the farmer to come forward at this time as insistent advocates of clearly unreasonable demands. Certainly the true friend of the farmer will have little to say in the near future about special subsidies of one sort and another for his benefit."

Apple Week in  
New York

An Albany, N.Y., dispatch to the press of October 20 says: "Indorsing national apple week, October 31 to November 6, in official proclamation yesterday, Governor Smith characterized as a 'notable charity' plans of New York State apple growers to supply more than a million children in various institutions of the State with free apples. The Governor mentioned the opportunity afforded citizens of the State to obtain apples of unusual quality at a reasonable price because of the 24,000,000 bushel crop with an approximate value of \$25,000,000."

Bankers and  
Agriculture

An editorial in The Nebraska Farmer for October 17 entitled "What is Good Banking Practice?" says: ".....A good many of our banker correspondents go as far as to say that the banker should keep himself aloof from even advising his farmer customer regarding the feeding of cattle or the securing of them. In this opinion, we do not concur. We believe that the banker who makes a study of the cattle feeding business and is acquainted with the conditions under which his customers may feed is in an admirable position to give assistance in locating the right kind of feeder cattle, and in determining their value. The volume of successful results from this kind of banker help is so great that we think it proves our point beyond a doubt. So we would not discourage it nor reflect

The first of the series of lectures  
on the history of the English language  
was given by Mr. J. H. Green,  
of the University of Cambridge,  
on the 1st of May, 1922.  
The lecture was held in the  
lecture hall of the University  
of Cambridge, and was attended  
by a large number of students  
and members of the public.  
The lecture was most interesting  
and informative, and was  
well received by the audience.  
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and informative, and was  
well received by the audience.  
The lecture was given in the  
lecture hall of the University  
of Cambridge, and was attended  
by a large number of students  
and members of the public.  
The lecture was most interesting  
and informative, and was  
well received by the audience.

The second of the series of lectures  
on the history of the English language  
was given by Mr. J. H. Green,  
of the University of Cambridge,  
on the 8th of May, 1922.  
The lecture was held in the  
lecture hall of the University  
of Cambridge, and was attended  
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well received by the audience.

unfavorably upon those who are engaged in thus assisting their farmer customers.... We are in hearty sympathy with every substantial move that bankers make to help farm folk as a class and agriculture as an industry, and we are just as firmly opposed to every practice that is injurious to farmers or farming. There is no occasion to become excessively wrought up over the subject for the vast majority of bankers are honest in their intent and able in their profession. Neither is there occasion for undue alarm among bankers when attention is called to the bad practices of the few."

**Bankers and Agriculture in Canada** An editorial in The Ontario Farmer for October 17 says: "Two announcements of importance to agriculture in Canada have recently reached the public. One reveals a practical turn to the interest in agriculture by banks and bankers, in the establishment of a demonstration farm in Saskatchewan by The Royal, Commerce, and Weyburn Security Banks. The farm is to be actively worked for the next four or five years, in an endeavor to demonstrate through actual experiment that scientific rotation of crops will make the present low-priced lands in certain sections of the Weyburn area equally as valuable, from production or investment standpoints, as are the remainder of the valuable farming sections of the older settled area of Saskatchewan, which is favored with all the advantages of modern rural life. The second announcement comes from New Brunswick, where through arrangements made by C. F. Bailey, superintendent of the Fredericton Experimental Farm, 44 bank managers visited the farm for a 'Bankers' Field Day.' This was the first gathering of its kind ever held in Canada, and proved an unqualified success. The program for the day included illustrated addresses on livestock and poultry, as the visiting bankers were escorted around the farm, the living stock providing the illustrations. These two announcements reveal the practical interest being taken by Canadian bankers. They reveal a desire to become better acquainted with the conditions under which the business of agriculture is conducted, a desire to determine in what way the farmer and the banker can work together in a common cause. Events of this kind must result in much good to agriculture."

**Australian Butter License** Australia has prohibited the export of butter and cheese from the Commonwealth, except in accordance with a license issued, states a report to the Department of Commerce. The object of the prohibition is to provide for the collection of a levy on butter and cheese in order to establish a fund for the more efficient marketing of dairy produce. It is estimated that on the basis of 65,000 tons exported during the season just ended, this should produce a fund of about \$145,725.

**Chicago Trade Board Regulation** An editorial in the Providence, R. I., Journal for October 17 says: "The voluntary action of the Chicago Board of Trade in taking steps to prevent a recurrence of the unreasonable speculation in grain that occurred last winter deserves commendation. While some persons profited immensely in last season's market when prices soared out of all proportion to actual values, thousands of other persons took tremendous losses in the aggregate. It was an orgy of gambling that rightly drew protests from many quarters, including the Secretary of Agriculture. As the Chicago market is under the supervision of the Department of Agriculture, the Government would have been derelict in its plain duty if it had not demanded a correction of the conditions that made such abuse of the market's privileges possible."

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the transparency and accountability of the organization. The text also mentions the need for regular audits to ensure that all financial data is correctly recorded and reported.

The second part of the document outlines the specific procedures for handling financial transactions. It details the steps involved in recording income and expenses, as well as the process for reconciling bank statements. The text also discusses the importance of maintaining separate accounts for different departments or projects to ensure that funds are properly allocated and tracked.

The third part of the document provides information on the reporting requirements for the organization. It explains the frequency and format of financial reports, as well as the roles and responsibilities of the personnel involved in preparing and submitting these reports.

The final part of the document contains concluding remarks and a summary of the key points discussed. It reiterates the importance of adhering to the established financial procedures and the need for ongoing communication and collaboration between all staff members to ensure the success of the organization's financial management.

Had the Board of Trade not acted voluntarily, albeit upon suggestion of the Department of Agriculture, remedial legislation by Congress at its forthcoming session would have been expected. Such necessary interference by the Nation's lawmakers probably would not have accomplished the purpose in mind nearly as well as the new regulations drawn up by the board itself."

#### Cotton for Russia

A London dispatch to the press of October 20 states that a firm of New York merchants, which has been established in Russia for several years, has just placed contracts for a supply of 4,000,000 pounds of cotton yarns for Moscow with Joshua Hoyle & Sons and the Amalgamated Cotton Mills Trust, two British concerns. The contracts are worth \$2,500,000. Negotiations are proceeding by the American house for the purchase of an additional 1,500,000 pounds of cotton for Russia. The firm is to grant credits, the bulk of the payments, to be made to the British concerns upon completion of the contracts.

#### French Harvest

Official estimates of French grain harvests this season, as summarized in the European financial press, predict a yield of 89,561,000 double centals of wheat, against 76,840,000 double centals a year ago, and of 11,371,000 double centals of rye, against 10,129,000 double centals last year. The inclement weather is delaying the harvesting of crops, reducing the quantity of wheat fit for human consumption to about 86,000,000 double centals. This quantity will be sufficient to meet home consumption, which amounts to about 85,000,000 double centals. Nevertheless France will have to import foreign grain in order to mix same with the home product, the latter having a very low specific weight. Large orders have been placed in Germany and imports from Russia are coming in, although somewhat slowly. Under the influence of good results at home and generally good harvests abroad, the price of wheat on the Paris produce exchange declined from 138.50 francs, quoted on August 1, to 128 francs on September 23. (Press, Oct. 20.)

#### Teaching

Cooperation An editorial in The Price Current-Grain Reporter for October 14 says: "It is reported that Ex-Governor Lowden of Illinois is backing a movement to have a course in cooperative marketing included in the prescribed studies, in all of the public schools of the country. If the text books were prepared by unbiased writers, such an idea would not perhaps be so bad, for cooperative marketing has undoubtedly worked well with certain highly perishable products that are produced in relatively small quantities, by many growers and shipped or sold in car lots, and it therefore has a place in the economic order of things. When applied to the marketing of our great grain crops, however, such as the pooling of wheat, etc., the text books would, if complete and accurate, show our grain exchanges to be the most efficient and economical marketing organizations in the world."

#### Section 3

#### Department of Agriculture

A letter from W. E. Hotchkiss, Courtland, Ala., to the New York Tribune of October 20 says: "I notice that there is a disposition to criticize the Department of Agriculture's cotton reports as inaccurate. It is not claimed for these 'reports' that they are anything more than estimates. Any one who has lived with cotton and made many crops can form a fair estimate of what he may reasonably expect to make, and if he visits other crops and looks them over carefully he can usually, from his experience, tell approximately what these others will make. Weather and insects or plant disease may make his estimate wrong. It is a well known

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fact among those in close touch with the crop that in a dry year the crop is underestimated and in a wet season it is overestimated. If a large number of persons scattered over the cotton belt send their estimates to the department and it averages all, it would seem the result of this procedure would be as near correct as could be had. If there is doubt of the accuracy of the Government estimates in comparison with private estimates, one might take the private estimates that have been published for a term of years and see how each checks up with the actual crop."

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Section 4

MARKET QUOTATIONS

Farm Products      Oct. 20: Chicago hog prices closed at \$11.90 for the top; bulk \$10.40 to \$11.80; beef steers choice \$14.25 to \$16.25; good \$10.25 to \$15; heifers good and choice \$7.25 to \$12; common and medium \$5 to \$7.25; cows, good and choice \$5.50 to \$8.75; canners and cutters \$3 to \$3.65; vealers, medium to choice \$9 to \$12.50; heavy calves, medium to choice \$5 to \$8.25; stockers and feeders, common to choice \$5 to \$8.75; fat lambs medium to choice \$13.50 to \$15.50; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs \$14 to \$16.

Pennsylvania sacked Round White potatoes ranged \$2.75 to \$3 per 100 pounds in eastern cities. New York Baldwin apples sold at \$4 to \$4.25 per barrel in New York City and \$3.75 to \$3.85 f.o.b. Rochester. New York yellow onions firm at \$2.25 to \$2.75 sacked per 100 pounds in eastern consuming centers; mostly \$2 to \$2.10 f.o.b. Rochester. New York Danish type cabbage ranged \$16 to \$25 bulk per ton in leading markets and \$12 to \$14 f.o.b. Rochester.

Grain prices quoted October 20: No. 1 dark northern Minneapolis \$1.46 to \$1.72. No. 2 red winter St. Louis \$1.71 to \$1.73; Kansas City \$1.68. No. 2 hard winter St. Louis \$1.65; Kansas City \$1.61 to \$1.64. No. 2 mixed corn Chicago 84 1/2¢; Kansas City 82¢. No. 3 mixed corn Minneapolis 77¢. No. 2 yellow corn Chicago 84 1/2¢; St. Louis 84¢; Kansas City 82 to 85¢. No. 3 yellow corn Chicago 84¢; Minneapolis 80 3/4¢. No. 2 white corn Chicago 84 1/2¢; St. Louis 85 3/4¢; Kansas City 85 1/2¢. No. 3 white oats Chicago 39 3/4¢; Minneapolis 35 1/8¢; St. Louis 41¢. No. 2 white oats Kansas City 40¢.

Middling spot cotton in 10 designated spot markets declined 2 points, closing at 21.20¢ per lb. New York October future contracts advanced 8 points closing at 21.87¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 20,	Oct. 19,	Oct. 20, 1924
	20 Industrials	150.29	148.53	101.14
	20 R.R. stocks	104.65	103.86	87.70
(Wall St. Jour., Oct. 21.)				

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CONFIDENTIAL - SECURITY INFORMATION

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CONFIDENTIAL - SECURITY INFORMATION

# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIX, No. 19

Section. 1

October 22, 1925.

## ON THE RADIO

The Washington Post to-day says: "Secretary Hoover last night broadcast a plea for 'a new knob' on radio receiving sets which would permit listeners-in to tell broadcasters what they thought of them. Tuning out, he confided to the country, did not give the receiver enough satisfaction, for it was 'incomplete.' Mr. Hoover shared with Secretary of Agriculture Jardine station WRC on the second 'electric night' program, celebrating the invention of the incandescent lamp. Secretary Jardine predicted that soon there would be so much automatic farm machinery that the farmers' day would consist mostly of starting it and let it do the work. Five hundred thousand farms are equipped with electricity and reduction of unit costs is needed."

## TRADE COMMISSION

The press to-day states that the Federal Trade Commission's DROPS SUGAR SUIT proceedings against beet sugar manufacturers were dismissed yesterday by a three to two vote of the commission.

## BEE EXPERIMENT

A Vancouver, B. C., dispatch to the press of October 22 states that John Ballantyne, apiarist, of Nelson, B. C., is shipping on the liner Niagara 30 pounds of bees and 10 queens to Auckland, New Zealand, where summer is just beginning, in an effort to make the insects produce two crops of honey. If the experiment is successful it is planned to ship bees from one end of the Pacific to the other, each year.

## RECLAMATION WASTE CHARGED

The press to-day says: "More than \$26,000,000 of Federal funds has been spent for irrigation of worthless and unfit lands, more than two-thirds of the lands irrigated by the Government were privately owned before construction started, and at this time there are 6,000 unoccupied farms on the Government reclamation projects, according to a statement made yesterday by the Department of the Interior, which is facing the fire of western Senators and Representatives.... 'To date,' the Interior Department statement reads, 'the Government has spent \$200,000,000 on works to irrigate 2,000,000 acres of land which support almost 500,000 people. It was believed that if the Government built dams and canals agriculture would follow: that settlers would take up the lands and carry out the costly and difficult task of clearing off the sage brush, leveling the surface, providing farm buildings, implements and livestock, and doing all those things that are necessary to change the desert into productive farms. The Government made generous terms for the repayment of the cost of the works. The settlers were to pay annually the cost of operating and maintaining the dams and canals. The cost of construction was to be repaid to the Government at first in ten annual installments, which was later increased to twenty annual installments. These liberal terms of payment for a water-right--twenty years without interest--made this domain a fruitful field for the land speculator, and the result was a rapid and disastrous inflation of prices on land in private ownership.... Designed as a home-making institution, Federal reclamation as carried out in the past has been defective.'"

The first part of the paper is devoted to a general discussion of the problem. It is shown that the problem is of great importance in the theory of the structure of the atom. The second part is devoted to a detailed analysis of the experimental results. It is shown that the results are in good agreement with the theoretical predictions. The third part is devoted to a discussion of the results and their implications. It is shown that the results are of great importance for the theory of the structure of the atom.

The results of the experiment are in good agreement with the theoretical predictions. It is shown that the results are of great importance for the theory of the structure of the atom. The results are in good agreement with the theoretical predictions.

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## Section 2

Argentine  
Eggs to  
Britain

Beginning with the second week in August, 1925, eggs in considerable quantity have been moving from Argentina to England, according to a report to the Department of Commerce. During the week ended August 15, 84,000 dozen eggs were shipped to England; in the week ended August 21, 36,000 dozen went to that market, and during the week ended August 29 a total of 187,500 dozen eggs went to the British market.

Cattle Business Everett C. Brown, president of the Chicago Live Stock Exchange, is the author of an article entitled "New Vigor in the Cattle Business" in Commerce and Finance for October 21. He says in part: "Market events this summer justify prediction that the industry has reached a definite turn of the road. For several years the query: 'What's the matter with the cattle business?' has been stereotyped. None of the industries has passed through a more severe grilling. Much of it was due to inevitable post-war deflation; land speculation was a contributing factor and adverse physical conditions, especially in the trans-Missouri pastoral region, have been in a large measure responsible for cattle trade vicissitudes. Added to this trinity of trouble was the rising cost of production, especially in the matters of taxation and labor. Cattle accumulated from 1918 to 1921, necessitating ruinous liquidation, a process only now completed. As the pendulum always swings to the extreme in either direction, so liquidation of western beef herds has been carried to a point that renders rehabilitation imperative. The cattleman has reached the stage where the sheep raiser was two years ago and is at the inception of a lengthy period of reasonable prosperity with possibility of inflated values of breeding stock both in a purebred and commercial sense. Naturally there will be readjustment. For several years past stock cattle values have been out of line with prices paid for fat bullocks, to the distinct advantage of finishers at the expense of breeders. If this advantage is not transferred it will at least be modified. Already feeders are swarming over western pastures bidding for young cattle, creating probability of a dearth of yearlings in 1926. Not that anything resembling beef famine is to be anticipated; but it is a safe prediction that three and four year old steers are about to disappear, that two year old fat cattle will be reasonably scarce and that the industry is going on a yearling basis, requiring more cows to produce the same beef tonnage. Economic production will exert a potent influence on future beef production. The best Montana cattle from the herd of Wallis Huidekoper sold at \$11.50 on the Chicago market this season; thousands of inferior grass cattle of similar age that represented equal cost of production went to killers from \$6 down, lacking sufficient quality to make them eligible to a corn finish. It is probably impossible to standardize cattle, but much loss in the sphere of production may be eliminated by adopting Huidekoper methods, and his is not an isolated case."

Cider Legisla-  
tion

A Richmond, Va., dispatch to the press of October 21 says: "The national prohibition laws do not forbid the home manufacture of cider and fruit juices from fruits raised on the premises and intended for individual use, the United States Circuit Court of Appeals held October 20, when it reversed judgment of the Federal District Court at Elkins, W. Va., by which Creed Isner was convicted of possessing seventy gallons of intoxicating liquor. At the trial the prosecuting attorney conceded that the cider was not intoxicating, but contended that it possessed as much as one half of 1 per cent of alcohol and, therefore, came within the general prohibition laws defining liquor."



**Civil Air Service** The Imperial Airways, Ltd. of Great Britain, which came into existence on the first of April, 1924, completed a total mileage during the year, ending with March 31, 1925, of 826,526 miles according to the annual report on the progress of civil aviation just issued by the Air Ministry of Great Britain, as transmitted to the Bankers Trust Company of New York by its British information service. The Imperial Airways Ltd. was a consolidation of the Handley Page Transport, Ltd., Instone Air Line, Ltd., Daimler Hire, Ltd., and the British Marine Air Navigation Co., Ltd. Imperial Airways, Ltd. was formed with a nominal capital of 1,000,000 pounds sterling, and is entitled to a subsidy of a similar amount spread over 10 years, the subsidy to be paid at the rate of 137,000 pounds for the first four years, after which it decreases until in the tenth year the company shall receive a final payment of 32,000 pounds. In return for this subsidy the company undertakes to fly a minimum of one million miles per annum, except that during the first four years of its existence the minimum annual mileage may be in any one year 800,000 miles provided that at the end of the first four years it shall have flown a minimum of four million miles. The company undertakes to operate as a minimum, efficient air services for the transport of passengers, mails and freight between London and Paris, London and Brussels, London and Amsterdam, and Southampton and the Channel Islands, or an alternative route to be operated by sea-going marine aircraft. The profits of the company, according to the agreement with the Government must be distributed, 10 per cent on the paid up capital of the company, the balance, if any, to be divided into three parts; one third to be utilized for repayment to the Government of the annual subsidy advanced, one third to be devoted to the development and improvement of the air service provided by the company, and the remainder, if any, to be distributed between the shareholders of the company. The Government undertakes not to subsidize any other company during the period of the agreement for the operation of any heavier-than-air services operating in Great Britain and Europe. The Government is represented in the management by two directors of its own nomination. During the year the Northern Air Lines, Ltd. was organized has run a regular daily service in each direction between Belfast and Straners. This company is operating without the aid of a subsidy, and was formed mainly to cater for the carriage of newspapers and mails between Northern Ireland and the South of Scotland, the service being timed to connect with trains running to and from London.

**Cooperative Marketing** The Journal of the Ministry of Agriculture (London) for October contains a review of a report on "Large Scale Cooperative Marketing in the United States," by R. B. Forrester. It says: "The fourth number of the Economic Series of reports, which are now in course of issue by the Ministry, is of particular, though indirect, interest to this country. Nearly all the food exporting countries in the world, and many of the food importing countries, have well-developed cooperative marketing organizations. Of the remainder it is probable that Great Britain is one of the most backward. It is unlikely, however, that this country can lag behind for long, and therefore in the development of a marketing organization the whole experience of the world should be drawn upon. The cooperative marketing organizations of the United States have incorporated many of the most modern and some of the most successful ideas and methods, and, accordingly, a study of these methods must be of the greatest value to those countries in which such an organization still remains to be built up. Therefore, as Mr. Forrester points out in his foreword,



'All investigations of the business situation of individual associations over a series of years and the large mass of small scale cooperation have been necessarily omitted....The material has been collected, arranged and analyzed wholly with a view to casting into relief the constructive ideas which are being worked out in the organization of the large scale cooperative....' Cooperative marketing in the U. S. A. has, of course, historical and economic foundations, and these, while they could not wholly be ignored, have been dealt with as briefly as possible.....The report concludes with the following brief but significant paragraph with which it might also have opened: 'Large scale cooperative marketing is a new invention in producers' organization in agriculture. It brings the notions and outlook of big business into the marketing of farm products. It is for the British farmer to consider whether, and in what way, its salient features can be applied to British conditions.'"

**France Gets Russian Wheat** A Havre dispatch to the press of October 21 states that the steamer *Preisliad* from Leningrad with a cargo of 7,200 tons of wheat, reached Havre, October 20. The port officials say this is the first importation of Russian wheat into France since the cessation of hostilities.

**"Honest-Food" Campaign in Britain** A London dispatch to the press of October 22 states that the recently appointed Food Council, whose only authority is public opinion, won another victory yesterday in its campaign to lower the cost of living. Following its vigorous, if unofficial, fight to eliminate the short weight evil, which was alleged to be largely practiced by London shopkeepers, the Government decided to introduce new legislation which probably will make the giving of short weights a statutory offence. The London County Council adopted a recommendation to this effect at its meeting yesterday, and it was asserted that the new law would be welcomed by all honest shopkeepers.

**Meat Production** Although pork production has decreased somewhat so far this year as compared with the same period in 1924, owing to decreased receipts of hogs, it is probable that almost twenty billion pounds of meat will be produced during 1925 and that exports from this country will approximate a billion and a half pounds, according to Oscar G. Mayer, president of the Institute of American Meat Packers, who addressed the twentieth annual convention of that organization at Chicago, October 19. "Slight increases in the production of beef, veal, and lamb, and smaller exports than in previous years will help to make up for the shorter supply of pork, so that domestic meat consumption probably will approximate that of last year," he continued. "Demand for meat during the last two months has been better than for several of the preceding months, and at times recently it has been the best of the year," the president of the packer's institute stated. "This indicates," he added, "that the general industrial situation is good and that a continuing period of active trade lies ahead of this industry and others. Crops this year are good and the whole agricultural situation has shown considerable improvement. All of these factors presage a good merchandising season during the coming winter months."

**Virginia Apple Men Protest Rate Rise** The press of October 20 states that a group of apple growers in the Shenandoah Valley of Virginia are protesting to the Interstate Commerce Commission against proposed increases in rates on apples from points in Virginia to destinations in Eastern Trunk Line territory. Representative

[illegible]

R. Walton Moore, for many years a lawyer for southern railroads in matters before the commission, is now before that body as a representative of the fruit men. The rate schedules in question provide for increases not only on the Southern Railway but also on the Washington & Old Dominion. These increases range from 5.5 to 18 cents per 100 pounds, in carloads.

### Section 3 MARKET QUOTATIONS

**Farm Products** Oct. 21: Chicago hog prices closed at \$11.90 for the top; bulk \$10.30 to \$11.70; beef steers, choice \$14.25 to \$16.25; heifers, good and choice \$7.25 to \$12; common and medium \$5 to \$7.25; cows, good and choice \$5.50 to \$8.75; common and medium \$3.65 to \$5.50; canners and cutters \$3 to \$3.65; vealers, medium to choice \$9 to \$12.50; heavy calves, medium to choice \$5 to \$8.25; stockers and feeders, common to choice \$5 to \$8.75; fat lambs, medium to choice \$13.50 to \$13.50; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs, medium to choice \$14 to \$16.

New York and Pennsylvania sacked Round White potatoes closed at \$2.65 to \$2.90 per 100 pounds in eastern cities and \$2.55 to \$2.60 f.o.b. Rochester. Northern sacked Round Whites \$2.50 to \$2.60 on the Chicago carlot market; \$2.30 to \$2.50 f.o.b. Pennsylvania Stayman apples ranged \$5 to \$5.50 per barrel, Eastern Yorks mostly around \$4.50. Best New York and midwestern yellow onions ranged \$2.25 to \$2.75 sacked per 100 pounds in consuming centers and \$2 to \$2.15 f.o.b. shipping points. New York Danish type cabbage slightly weaker at \$15 to \$25 bulk per ton in leading eastern markets and \$12 to \$13 f.o.b. Rochester.

Grain prices quoted October 21: No. 1 dark northern Minneapolis \$1.45 to \$1.72. No. 2 red winter St. Louis \$1.71 to \$1.72; Kansas City \$1.63 to \$1.66. No. 2 hard winter Chicago \$1.57 1/2 to \$1.61 3/4; Kansas City \$1.55 to \$1.62. No. 2 mixed corn Chicago 83 1/2¢; Kansas City 81¢. No. 3 mixed corn Minneapolis 76 1/4¢. No. 2 yellow corn Chicago 84¢; St. Louis 83 1/2¢; Kansas City 83 1/4¢. No. 3 yellow corn Chicago 80 1/2 to 83 1/2¢; Minneapolis 80¢. No. 2 white corn Chicago 84¢; St. Louis 84 3/4¢; Kansas City 85¢. No. 3 white oats Chicago 39 1/2¢; Minneapolis 35¢; St. Louis 41¢; No. 2 white oats Kansas City 40¢.

Closing prices on 92 score butter: New York 51 1/2¢; Chicago 49¢; Philadelphia 53¢; Boston 51 1/2¢.

Middling spot cotton in 9 designated spot markets advanced 19 points during the week, closing at 21.05¢ per lb. New York October future contracts advanced 33 points, closing at 21.74¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 21,	Oct. 20,	Oct. 21, 1924
	20 Industrials	151.61	150.29	101.85
	20 R.R. stocks	104.75	104.65	88.12

(Wall St. Jour., Oct. 22.)

[illegible]

# DAILY DIGEST

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Vol. XIX, No. 20

Section 1

October 23, 1925.

**ELECTRICITY ON THE FARM** An editorial in The New York Times to-day says: "Secretary Jardine of the Department of Agriculture, in the speech made by him Wednesday evening 'over the air' as his contribution to the celebration of the forty-sixth anniversary of the invention by Mr. Edison of the incandescent lamp, earnestly besought the country's electrical engineers to turn their attention to the problem of making electricity more practical as a motive power for use on farms. There, he told them, was a great field waiting their exploitation—one in which there would be profit for the electricity-producing corporations and a great public service as well. At present such electricity as reaches the farms of the country is used chiefly for lighting houses and barns. It also turns a few light and stationary machines, run for brief periods, but the farmer finds it too expensive for the performance of his heavier and more prolonged tasks. If electricity were made cheaper more of it would be used on farms, and if more of it were used there it could be made for them more cheaply, so the circle is complete. The suggested change, however, is by no means impossible or even improbable. Other speakers in the course of the anniversary exercise told how the cost of electric lighting had been reduced ten or a dozen times since the days of the original carbon filament, so that it now is one of the few things that costs less than it did in pre-war days. The automobile has made almost every farmer, nowadays, something of an electrician as well as the mechanic he always has been, and he ought to help the electrical engineers in doing what the Secretary of Agriculture asked them to attempt."

**NEW MELLON TAX SCHEDULE** The press to-day states that a new schedule of normal tax rates sent to the Ways and Means Committee by Secretary Mellon yesterday would cut taxes on incomes between \$6,000 and \$12,000 materially below those submitted by the Treasury at the opening hearing on Monday. These new normal rates, which the Secretary stated would be "more satisfactory," but which, he added, he furnished only as a base and not as any definite proposal, would place a 1 per cent tax on the first \$3,000 of income, 2 per cent on the next \$1,000, 3 per cent on the next \$4,000 and 5 per cent on the remainder. The schedule presented Monday taxed the first \$3,000 1 per cent, the second \$4,000 3 per cent and the rest 5 per cent. Under present law, the first \$4,000 is taxed 2 per cent, the next \$4,000 4 per cent and the remaining sum 6 per cent. Under this new scheme, as under the first, the 25 per cent exemption permitted to taxpayers on earned income up to \$10,000 is stricken out of the law. Through the law as it stands, \$5,000 of any one's income is considered earned, but it must be proved that the remaining \$5,000 allowed in certain cases is actually earned.

**FLORIDA BOOM CURB** The press to-day states that Walter J. Greenbaum, an investment banker of Chicago, announced yesterday that he would ask the Investment Bankers' Association of America at its annual convention at St. Petersburg, Fla., on December 5, to launch a fight against "wildcat land speculation" in Florida.



## Section 2

Argentine  
Game

From July 24 to August 29, 1925, inclusive, 162,108 pounds of dressed domestic fowls and 55,970 pounds of game were shipped from Argentina, destined for New York, according to a report received in the Department of Commerce from Trade Commissioner Brice M. Mace, jr.

## Automobiles

An editorial in The Wall Street Journal for October 22 says: "There were 3,479,000 new auto registrations in the world last year, against 2,860,000 new ones the year before. This is an increase in the year of 22 per cent. The total world registrations on January 1, 1925, were 18,615,000. As in a glass, one can distinctly see in these figures a picture of the future -- a world on wheels. A study of the world registration figures yields many interesting facts, one of which is the immense market this country affords. A few years ago people talked about the 'saturation point' as if it were already here. The fact that 2,427,000 of the new registrations were in the United States is proof that it has not yet been reached. The fact also that in the past two or three years every reduction in price has brought in a class of new buyers shows that there is still a great market yet to be reached. It is this enormous home market that makes the American automobile manufacturer preeminent in the world. The world trade is another interesting feature. It is also one that is bound in the future to uphold and broaden our automobile trade. In 1913 we exported 26,000 passenger cars, and in 1924, 151,400. Automotive products of all kinds in the last calendar year made up 5.6 per cent of that great total of \$4,590,000,000 which was the value of our exports of that year. Yet in the first eight months of the present year the value of the automotive exports has nearly reached that of the full calendar year 1924. Raw cotton and petroleum products are the only two single items that now lead in the export list. The foreign world is beginning to ride on wheels, and shows a strong preference for the American make. The distribution figures lead one into a labyrinth of facts and ideas. Exports of passenger cars and trucks from the United States and Canada in 1924 were more than the entire production of all Europe. While Europe itself took a portion of our cars, the greater part went to other parts of the world. Go through an alphabetical list of the countries of the world, from Aden to Zealand, and you will find automobile registrations in every one of them. An official of a South American country was asked why his country, with its natural advantages did not take to dairying. The reply was, 'Because cows can not be milked from horseback.' Yet that country last year had a comparatively large automobile registration. Even there, the saddle is yielding to the automobile. The 22 per cent increase in registrations in the year shows that the whole world, to the 'uttermost isles of the sea', is beginning to ride on wheels. And those wheels are mostly of American manufacture."

## Bakery Merger

Referring to the recent bakery merger, an editorial in The Southern Planter for October 15 says: "...Will American farmers learn the lesson? For every loaf of bread or pound of cake to be produced by this corporation, the farmers of the country will furnish the essential material. With the essential material, wheat, furnished by farmers whose interests are identical but who are unorganized for mutual protection, these manufacturers, with identical interests and thoroughly organized, will make the finished product for the ultimate consumer. The result is easy to forecast, the manufacturing combination will make money every year, whether wheat be selling at a price that starves the producer or at figures that

THE UNIVERSITY OF CHICAGO  
DIVISION OF THE PHYSICAL SCIENCES  
DEPARTMENT OF CHEMISTRY  
JANUARY 1954  
MEMORANDUM FOR THE RECORD  
SUBJECT: [Illegible]  
[The following text is extremely faint and largely illegible due to the quality of the scan. It appears to be a series of paragraphs or a list of items, but the specific details cannot be discerned.]

thoroughly satisfy him. The bakers have to depend on wheat, but they are not deeply interested in the price of wheat. In other words, notwithstanding their utter dependence on agriculture, they are immune from the vicissitudes and tragedies of the farmer. Agricultural cooperation can not remove utterly the disabilities under which agriculture is bound to labor; but it can change those disabilities, it can make them natural and not unreal. At present, the farmers are not sure what will prove to be a bad year for them, and therein lies the real tragedy of agriculture. Recent history has clearly shown that large crops of good grain have actually sold for less than short crops of fair grain; and, as former Governor Lowden, of Illinois, says: 'The American farmer to-day does not know whether he should pray for rain that will make him a bounteous crop or for a drought that will destroy the major portion of his harvest.' If there could be adequate cooperation among the farmers, there would be no doubt on such a score. The large yield would sell for enough to satisfy the growers, and the short crop would not bring general bankruptcy. The baking trust has just started its career; it will be interesting to watch its development. How soon will its common shares sell as high as the steel shares of a few years ago; and how soon thereafter will they go to par and above as the steel shares have gone? In other words, how soon will the ten million shares of common and preferred stock rise to points that will give to this corporation a right to call itself a billion dollar concern? It will be just that thing when its shares average at par."

Bankers and  
Taxes

Several representatives of the American Bankers Association appear this week at the hearings in Washington before the House Ways and Means Committee on the provisions of the new revenue bill. Thursday, October 22, Thomas B. Paton, general counsel American Bankers Association, appeared in advocacy of a reduction of corporation taxes and R.H. Berry, assistant secretary Detroit Trust Company, "il" spoke in favor of the repeal of section 257 (b) relating to publicity of Federal tax returns. Friday, October 23, F. W. Denio, vice president Old Colony Trust Company, Boston, Massachusetts, will speak for the repeal of Federal estate and gifts tax. On this last named subject the association at its recent annual convention at Atlantic City in its resolutions went on record as urging "the elimination of the Federal estate tax and of the Federal gift tax".

Commercial  
Relations

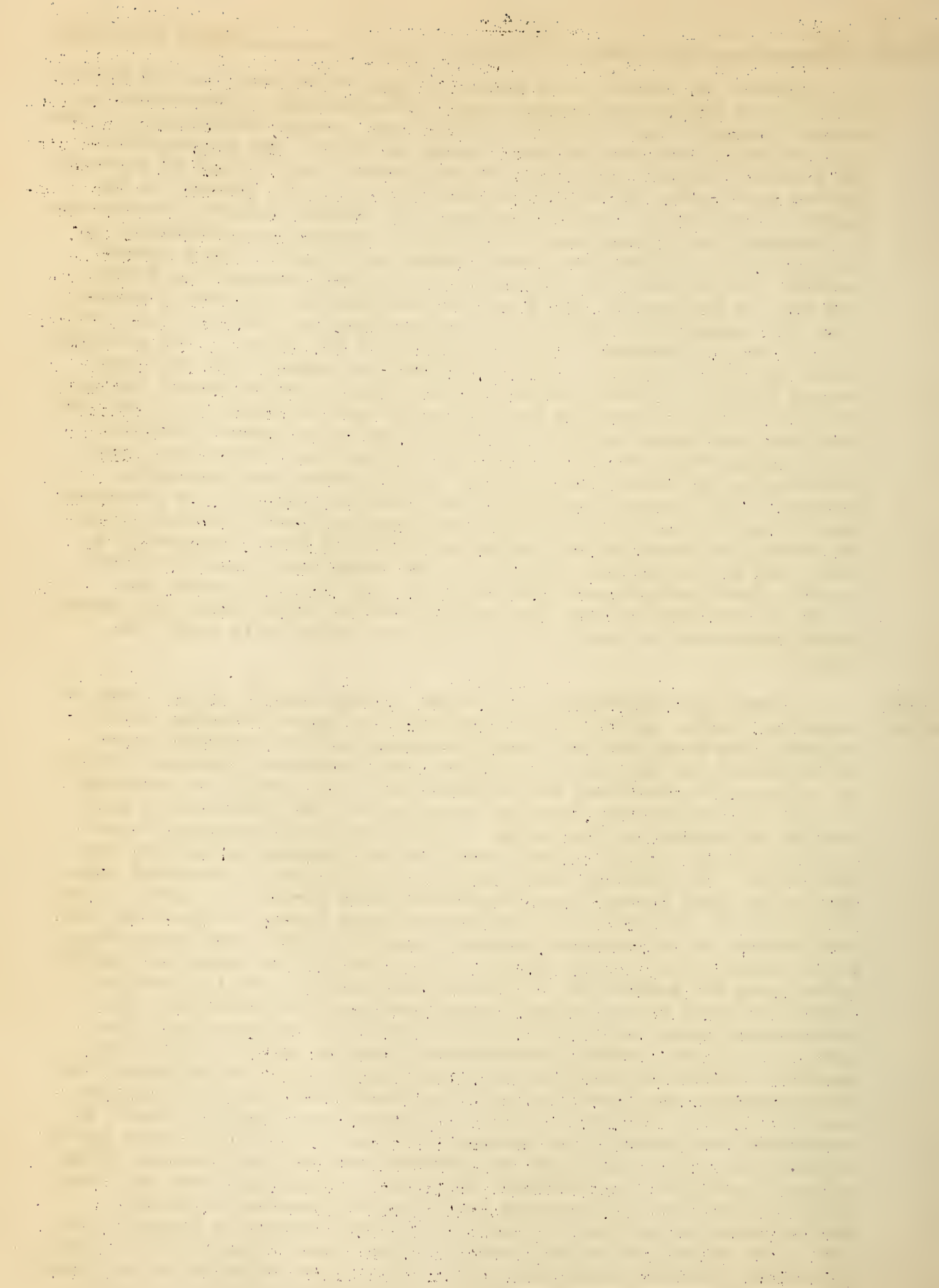
Although world commerce is at this time repressed and staggering under the shadow of war and post-war debts, there is a leashed power which will break loose sooner or later during the next two decades and give American industry the most severe competition which it ever has experienced, in the opinion of F. Edson White, president of Armour and Company, who spoke at Chicago, October 20, before the twentieth annual convention of the Institute of American Meat Packers. "This competition will not only meet us in our markets abroad but will also reach us at home," Mr. White continued. "On a gradually increasing basis, we will be offered great quantities of everything that is manufactured everywhere and shall have to compete with the same sort of offer to our foreign customers. Only the maintenance on the part of American business of a most receptive attitude toward new ideas and efficiency of operation and distribution will aid us. "Every nation is feeling the pressure which is evident in the world market to-day, whether it was involved in the World War or not; and every nation is restlessly biding the time when international settlement of war obligations, tariffs, and agreements will permit



it to produce in volumes large enough to apply effectively to debt liquidation or to increase in current wealth and consequent international exchange of goods. While the good sense of most peoples is restraining them from producing recklessly without thought of market, one can not enter the field of international trade without sensing this feeling of straining for the start, once the barrier is removed." Speaking directly of the packer's problems, Mr. White continued: "The packing industry is a national industry. To a large extent the American packers are predominant in the international situation. Nevertheless, any country with a special product, like Denmark, for example, with its highly-specialized bacon-type hog, or any country with a special advantage in the cost of production, like Argentina or Brazil, can readily find any position it may desire in the international trade, regardless of our efforts. Our permanent status in world commerce is going to depend on research into the engineering problems of the industry, in the further substitution of machine power for human labor and in the cutting of cost at points along the line which our traditional methods of operation do not at present suspect." In discussing the packing situation, Mr. White said: "The packing year just closing has been a year in which the unexpected has repeatedly happened. The livestock history of the year has furnished the principal upset. General business conditions have been realized as expected, and the demand for meats has held up in extraordinary shape, especially in pork. But cattle and hog receipts, on the other hand, have varied materially from the prospects then existing. In sheep and lambs, the market has run true to form, but only in the last eight weeks have cattle prices approached the levels which their production cycle would have indicated."

#### Livestock Situation

There is no shortage of livestock in this country now and none is impending, in the opinion of D. A. Millett, of Denver, chairman of the National Live Stock and Meat Board, who addressed the twentieth annual convention of the Institute of American Meat Packers at Chicago, October 20. "Those who claim that the American people are facing the necessity of going on a vegetarian diet and importing food will have a hard time proving the contention," he added. "There are enough neglected fence corners in this country to feed about half our present population, when cultivated. In addition, there are the possibilities of increased production of foods through more intensive methods on land now under cultivation and the development of new farming areas through reclamation. The fundamentals of our economic structure assure us that, when agriculture pays a satisfactory profit, people will go back to the farms and produce all we need for generations." Although the farmer's position has improved over what it was two and three years ago, statements that the agricultural situation now is entirely normal are not justified, the speaker continued. "Such pronouncements, and the attitude which they engender, are without good and sufficient foundation," he continued. "No man in business can absorb the grilling losses which the livestock man has faced during the last five years in so short a period of time." In discussing the future of his industry, the speaker asserted that a tariff on hides was long overdue for the livestock man and that Congress should proceed directly to the enactment of a bill, "containing about two lines, granting this just and necessary relief to the livestock industry". At another point he deplored the small appropriation which is available for use by the United States Department of Agriculture in gathering information about livestock production trends, which is so valuable to the farmer in planning his own production and in stabilizing production generally.



## Wages

"Wages, as measured both by their amount and what they will purchase, are higher in the United States than in any of 18 other countries covered in a monthly index compiled by the International Labor Office. The index, based on wages for various lines of skilled and unskilled labor and on food and rent costs in a principal city for each of the countries on July 1, places the figure for Philadelphia at 183. The next highest in the list was Ottawa, Canada, with 165, while the lowest, 42, was reported for Lisbon. London with 100 was used as the index base." (Press, Oct. 22.)

## Section 3

## MARKET QUOTATIONS

Farm Products Oct. 22: Northern sacked Round White potatoes \$2.50 to \$2.65 per 100 pounds on the Chicago carlot market and \$2.30 to \$2.50 f.o.b. Pennsylvania sacked Round Whites mostly \$2.85 to \$3 in eastern cities, Maine bulk Green Mountains \$3 to \$3.20 in New York City and \$2.55 to \$2.60 f.o.b. Presque Isle. New York Baldwin apples sold at \$4.25 to \$4.75 per barrel in New York City and \$3.75 to \$4 in western New York shipping points. Prices on New York Danish type cabbage declined \$2 to \$5 bulk per ton in leading eastern consuming centers to a range of \$15 to \$22. Virginia yellow sweet potatoes \$3.75 to \$5 per barrel in eastern markets; \$5.40 to \$5.50 in Chicago.

Chicago hog prices closed at \$11.50 for the top, bulk \$10.20 to \$11.40; beef steers choice \$14.25 to \$16.25; good \$10.25 to \$15; heifers, good and choice \$7.25 to \$12; medium and common \$5 to \$7.25; cows, good and choice \$5.50 to \$8.75; canners and cutters \$3 to \$3.75; vealers, medium to choice \$9 to \$13; heavy calves, medium to choice \$5 to \$8.25; stockers and feeders common to choice \$5 to \$8.75; fat lambs medium to choice \$13.50 to \$15.50; yearling wethers, medium to choice \$9.75 to \$12.75; fat ewes, common to choice \$4.50 to \$8.25; feeding lambs \$14 to \$16.

Closing prices on 92 score butter: New York 51 1/2¢; Philadelphia 53¢; Boston 51 1/2¢.

Grain prices quoted October 22: No. 1 dark northern Minneapolis \$1.43 to \$1.68. No. 2 red winter St. Louis \$1.65 to \$1.66. Kansas City \$1.62. No. 2 hard winter Chicago \$1.52 1/4 to \$1.54 1/2; St. Louis \$1.59. Kansas City \$1.54 to \$1.58. No. 2 mixed corn Chicago 82 1/2¢, Kansas City 80¢. No. 3 mixed corn Minneapolis 76 1/2¢. No. 2 yellow corn 83¢; St. Louis 82 1/4¢, Kansas City 82 1/4¢. No. 3 yellow corn Chicago 82 1/4¢. No. 2 white corn Chicago 82 3/4¢; St. Louis 83 1/4¢, Kansas City 84 1/4¢. No. 3 white oats Chicago 39 1/2¢; St. Louis 40 3/4¢, Minneapolis 34 3/4¢. No. 2 white oats Kansas City 40¢.

Middling spot cotton in 10 designated spot markets declined 3 points during the week, closing at 20.86¢ per lb. New York October future contracts advanced 14 points, closing at 21.46¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Oct. 22,	Oct. 21,	Oct. 22, 1924
	20 Industrials	152.13	151.61	101.96
	20 R.R. stocks	104.78	104.75	88.72
	(Wall St. Jour., Oct. 23.)			

